

IN THE MATTER OF

EDWARD LOWENTHAL, TRADING UNDER THE NAMES
INTERNATIONAL RESEARCH AND BUREAU OF INDUS-
TRIAL ALLOCATION; AND SIDNEY DEAN SARFF AND
H. J. WHITTINGTON

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 4832. Complaint, Sept. 8, 1942—Decision, Apr. 27, 1944

Where an individual with whom were associated two other persons as below set forth, engaged in interstate sale and distribution of mailing cards, forms, questionnaires and other printed matter designed for use in obtaining information concerning alleged delinquent debtors and to deceive persons from whom information was sought as to their purpose, and including a printed sheet headed "INTERNATIONAL RESEARCH, Room 801—Evans Bldg., 1420 New York Ave., N.W., Washington, D. C." and "RE: TRUST FUND NO. _____," which—after advising addressee that his name was "among those to whom we have been ordered to pay a sum of money from the above trust fund" and that "from information received we believe you are this person, but under the provisions of the trust, we are compelled to obtain positive identification before payment can be made," that, therefore, the complete information "requested below" was required, upon receipt of which remittance would be made but that failing to receive requested information not later than 15 days "we are instructed to make other dispositions of the amount involved"—called on the attached form, addressed to said International Research" at the above address and, under the statement "for the purpose of establishing my identity with your firm, I submit the following information," for debtor's name and address, those of his employer and bank and a personal reference—a similar form being used in addressing persons other than debtors;

Making use of a plan under which said form, accompanied by an envelope addressed to said "International Research," was enclosed in an unaddressed envelope, the units were sold to creditors and collectors and collection agencies who addressed and stamped them and shipped them in bulk to aforesaid two other persons associated with said individual, at the address above given in Washington, D. C., by whom they were mailed separately in said city so that each was postmarked Washington, D. C., and by whom the unopened replies received were shipped in bulk to said individual in Chicago, where latter identified the returns by numbers and sent them to the customers to whom the blank forms were originally sold, and mailed to person executing the questionnaire, from one to five pennies, from a supply of small change maintained in a cigar box in his home enclosed in a small envelope on which was printed: "RE: TRUST FUND NO. _____ QUESTIONNAIRE RECEIVED AND PROPERLY ANSWERED. ENCLOSED YOU WILL FIND THE AMOUNT RESERVED AND SET ASIDE FOR YOU. OUR FILES ARE CLOSED AND FURTHER CORRESPONDENCE UNNECESSARY. INTERNATIONAL RESEARCH."—

- (a) Falsely represented, and placed in the hands of his customers means of falsely representing that "International Research" had its place of business in Washington, D. C., and that recipients of forms might be the beneficiaries named in some trust and entitled to money or other property in substantial amount;

The facts being said representations, notwithstanding the subsequent establishment by him of a so-called trust fund in the amount of \$100, of which his wife was desig-

nated "trustee and trustor," and from which no withdrawals were made—though additional deposits were said to have been made—were false, the trivial sums actually sent to correspondents having been taken from a supply of small change maintained by him at his home, as aforesaid; and replenished from his own funds; and Where said individual, also engaged as aforesaid under the name "Bureau of Industrial Allocation" and in interstate sale and distribution of 3-unit perforated cards similar to questionnaires sent out by the Selective Service Administration, which (1) advised the addressee that "The within information is essentially important in its employment research service. All information is strictly confidential. Your care in supplying all details will facilitate our work in tabulating your qualifications. This department is not affiliated with any local or field offices," requested him to "complete the attached card"—addressed to the "Bureau of Industrial Allocation," Suite 801 Evans Building, Washington, D. C.—"and mail within five days" and stated that "your immediate attention is requested in order to keep our records up to date," (2) on said return cards called for the name and address of the debtor and his employer and such other information as his married status, wife's name, automobile, etc., (3) contained on the back a so-called "statistical control" chart and at the bottom the words "DO NOT WRITE IN THIS SPACE, BD NO. 1013, Registrant: _____," and attached thereto a stub designated "Voucher" with the direction "Detach This Stub and Mail Card Within 5 days," and on the reverse side bore the following: "VOUCHER, Registration Number *BD No. 1013*, Regional Agent for *CENTRAL AREA*, Keep This Stub," said "Control and voucher" having no other purpose than to serve as window dressing to aid in concealing from the addressee said individual's real purpose;

Making use of a scheme similar to that above described—

(b) Represented and placed in the hands of his customers the means of representing that said "Bureau of Industrial Allocation" had some relation to industry or employment therein and that the inquiry emanated from a governmental agency; when in fact the information sought was entirely for the purpose of aiding in collecting alleged debts;

With effect of misleading and deceiving debtors of his customers and placing in the hands of latter, as aforesaid, means to mislead them, as a result of which they furnished personal information which they would not otherwise have supplied; and Where aforesaid two persons, associated with said individual in his said plan for obtaining information, and constituting an important and essential part thereof—

(c) Assisted as aforesaid in bringing to fruition the purpose for which the misrepresentations were made by him:

Held, That aforesaid acts and practices of the persons above set forth, were all to the prejudice and injury of the public and constituted unfair and deceptive acts and practices in commerce.

Before *Mr. J. Earl Cox*, trial examiner.

Mr. Randolph W. Branch for the Commission.

Mr. Myer L. Cherkas, of Chicago, Ill., for respondents; with whom also appeared—

Mr. Ralph D. Pittman, of Washington, D. C., for H. J. Whittington.

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 Edward Lowenthal, an individual, trading under the names International Research and Bureau of

Complaint

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Industrial Allocation, and Sidney Dean Sarff and H. J. Whittington, individuals, 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, Edward Lowenthal, is an individual, trading under the names International Research and Bureau of Industrial Allocation, with an office and principal place of business at 188 West Randolph Street, Chicago, Ill.

Respondents, Sidney Dean Sarff and H. J. Whittington, are individuals, with an office and principal place of business at No. 801, Evans Building, 1420 New York Avenue, North West, Washington, D. C.

PAR. 2. Respondent Edward Lowenthal is now, and has been for more than six months last past, engaged in the business of selling and distributing envelopes, and printed matter referred to by bill-collectors as "lures," and post cards.

Said respondent Lowenthal causes the said envelopes, "lures" and cards to be transported from his aforesaid place of business in the State of Illinois to purchasers thereof in various other States of the United States and in the District of Columbia. Respondent maintains, and at all times mentioned herein has maintained, a course of trade in the said articles in commerce between and among the various States of the United States, and in the District of Columbia.

PAR. 3. In his business of selling and distributing envelopes and "lures," respondent Lowenthal has traded under the name "International Research."

The said envelopes and "lures" are designed and intended to be used by creditors and collection agencies in obtaining information concerning debtors.

The "lure," designed to be sent to the debtor, is in the following form:

INTERNATIONAL RESEARCH

TO THE ADDRESSEE Room 801-Evans Bldg. RE: TRUST
OF THIS NOTICE: 1420 New York Ave., N. W. FUND NO. -----
Washington, D. C.

THE NAME OF ----- IS AMONG THOSE TO WHOM
WE HAVE BEEN ORDERED TO PAY A SUM OF MONEY FROM THE
ABOVE TRUST FUND.

FROM INFORMATION RECEIVED WE BELIEVE YOU ARE THIS
PERSON, BUT UNDER THE PROVISIONS OF THE TRUST, WE ARE
COMPELLED TO OBTAIN POSITIVE IDENTIFICATION BEFORE PAY-
MENT CAN BE MADE.

FOR THIS REASON WE REQUIRE THE COMPLETE INFORMATION
REQUESTED BELOW. UPON RECEIPT AND VERIFICATION THEREOF
REMITTANCE WILL BE MADE.

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Complaint

PLEASE GIVE THIS MATTER YOUR PROMPT ATTENTION. UNLESS WE RECEIVE THE INFORMATION REQUESTED NOT LATER THAN FIFTEEN DAYS FROM THE DATE THAT THIS NOTICE WAS MAILED WE ARE INSTRUCTED TO MAKE OTHER DISPOSITIONS OF THE AMOUNT INVOLVED.

INTERNATIONAL RESEARCH

TEAR OFF HERE, RETAIN UPPER PART, MAIL LOWER PART COMPLETELY FILLED OUT, IN ENCLOSED ENVELOPE PROPERLY STAMPED

Do not mail any other identification papers. This form is sufficient until further notice

INTERNATIONAL RESEARCH

Room 801-Evans Bldg.

1420 New York Ave., N. W.

Washington, D. C.

RE: TRUST

FUND NO. _____ DATE _____ 19____

For the purpose of establishing my identity with your firm, I submit the following information:

MY FULL

NAME IS (PRINT PLAINLY) _____
 (FIRST NAME) (MIDDLE INITIAL) (LAST NAME)

MY RESIDENCE IS _____
 (NO. STREET) (CITY) (STATE)

PARENTS _____
 (FATHER'S NAME) (MOTHER'S MAIDEN NAME)

I AM EMPLOYED BY _____ AS _____
 (NAME OF EMPLOYER) (OCCUPATION)

ADDRESS OF EMPLOYER _____
 (STREET) (CITY) (STATE)

I BANK AT _____
 (NAME OF BANK) (BRANCH) (CITY) (STATE)

PERSONAL REFERENCE _____
 (NAME) (STREET ADDRESS) (CITY) (STATE)

(SIGNED) _____

When sent to persons who may have knowledge concerning debtors, the "lure" is slightly modified to suit the occasion, but is essentially the same as that set forth above.

In the spaces following "Trust Fund No.," when the "lures" are delivered to purchasers thereof, respondent has placed a number, which is his serial number and identifies the customer to him.

The purchasers inserts in the "lures" the names of the debtors about whom he seeks information, encloses them in envelopes sold by respondent,

and addresses them to the debtors or others. Upon these envelopes in the upper left hand corner appears:

International Research
Room 801-Evans Building
1420 New York Avenue, N. W.
Washington, D. C.

With the "lures" are also enclosed unstamped envelopes, sold by respondent, to be used by the addressees in returning the questionnaires, addressed to "International Research" at the Washington, D. C. address given above.

Said purchasers place the necessary postage stamps on the envelopes addressed to the debtors, and others, and enclose them in large envelopes, which they then mail to "International Research" at the Washington, D. C. address given above.

At the said Washington, D. C. address they are received by respondents Sarff and Whittington and the individual communications to debtors, and others, deposited by them in the United States mail.

Such questionnaires as are returned are received by respondents Sarff and Whittington, at the Washington, D. C. address, and, without the envelopes being opened by them, sent by them to respondent Lowenthal at his Chicago, Ill. address. Lowenthal opens the envelopes, identifies his customers by the serial numbers, and sends the questionnaires to the proper customers. Sometimes, but not always, he sends to debtors who return the questionnaires, out of his own funds, trivial sums of from one penny to four pennies, in an envelope upon which it is stated that the sum is the "amount reserved and set aside" for the debtor.

PAR. 4. By means of the aforesaid "lures" and envelopes respondent Lowenthal has falsely represented and placed in the hands of his customers means of falsely representing, directly and by implication, to customers debtors and others from whom information concerning such debtors is sought, that such debtors have interests in trust funds, and that the value of such interests is substantially in excess of the cost of obtaining them to the debtors, and that the actual business location of said respondent is at Washington, D. C., which has the effect of inducing the recipients of the "lures" the belief that the representations concerning the trust funds are true and that the questionnaires have no connection with attempts to collect debts.

The said representations are false and misleading. In truth and in fact, there are no trust funds in the hands of respondent Lowenthal in which the debtors concerning whom information is sought have any interest, substantial or otherwise. The Washington, D. C. address is not a business address of respondent Lowenthal, but is merely a station from which letters are received and mailed and forwarded by respondents Sarff and Whittington as set forth above.

PAR. 5. In his business of distributing and selling post cards, respondent Lowenthal has traded under the name "Bureau of Industrial Allocation."

Through the use of the said name, said respondent has represented, directly and by implication, that his business bears some relation to industry and to employment therein.

This representation is false and misleading. In truth and in fact, respondent's business has nothing whatever to do with industry or employ-

ment therein, and the said name is merely a disguise for the true nature of his business.

PAR. 6. The said post cards are designed and intended to be used by creditors and collection agencies in obtaining information concerning debtors, and are in the form exemplified by a photostatic copy thereof, Marked Exhibits A and B, attached hereto, and by this reference incorporated herein and made a part hereof.

The cards are numbered by respondent Lowenthal, sold by him, addressed and stamped for delivery, but not for return by his customers, sent by them to the said Washington, D. C. address, and there mailed by respondents Sarff and Whittington. The cards returned by the addressees to the Washington, D. C. address, are sent by Sarff and Whittington to respondent Lowenthal and by him delivered to his customers, the whole procedure being to all practical intents and purposes identical with that followed when the "trust fund lures" are used.

PAR. 7. By means of the aforesaid post cards respondent Lowenthal has falsely represented, and placed in the hands of his customers means of falsely representing, directly and by implication, to his customers debtors, that the request for information comes from an agency or branch of the Government of the United States.

The said representation is false. In truth and in fact, the respondent is in no way connected with the Government of the United States or any branch or agency thereof, and the cards are merely a device of said respondent used for the purpose of obtaining information for his own purposes and those of his customers.

PAR. 8. The participation of respondents Sarff and Whittington, as stated herein, is an essential part of the accomplishment of the plans for obtaining the desired information, whether the envelopes and "lures" or the post cards are used.

PAR. 9. The use, as hereinabove set forth, of the foregoing false and misleading statements and representations, has had the capacity and tendency to, and has, misled and deceived many persons to whom the said "lures" and envelopes and cards were sent, into the erroneous and mistaken belief that said statements and representations were true, and by reason thereof to give information which they would not otherwise supply and to incur expense for postage in connection therewith.

Many agencies of the United States do, and for some time last past have, sent out to members of the public vocational questionnaires resembling the forms used by respondents on said post cards. Among the agencies of the United States which have sent out such vocational questionnaires is the Selective Service System. Among the persons receiving said post cards and requests for information are many subject to the provisions of the Selective Service and Training Act of 1940, as amended, who believe that, or are doubtful as to whether, said post cards and requests for information have been sent to them by the Selective Service System. As a result of such beliefs and doubts many inquiries, both in person and by mail, are addressed to local boards and other divisions of said Selective Service System, and correspondence and other effort on the part of said Selective Service System, the Army of the United States, and other governmental divisions and agencies is made necessary, all of which is contrary to the public interest.

PAR. 10. The aforesaid acts and practices of respondents, as herein alleged, are all to the prejudice and injury of the public and of the United States Government and constitute unfair and deceptive acts and practices.

VOUCHER

Registration Number **A No. 2451**

Regional Agent for **CENTRAL AREA**
Keep this stub

Name.....
 City.....
PRINT NAME IN FULL
 State.....
 Street or Route.....
 Employed by.....
 Address.....
 Married.....
 Single.....
 Wife's Name.....
 Employed.....
in or out

Make of Auto.....
 Condition of Tires.....
 Distance to place of employment.....
 STATISTICAL CONTROL

Classification	Verified		Sub. No.	
	Y	N	MP	MS
Occu.	0	0	0	0
Base	0	0	0	0
Mo	0	0	0	0
Day	0	0	0	0
Yr	0	0	0	0
Tr	0	0	0	0
FT	0	0	0	0
BO	0	0	0	0
MP	0	0	0	0
MS	0	0	0	0
MP	0	0	0	0
MS	0	0	0	0
MP	0	0	0	0
MS	0	0	0	0
MP	0	0	0	0
MS	0	0	0	0

DO NOT WRITE IN THIS SPACE
A No. 2451
 REGISTRANT

Return to
**BUREAU OF
 INDUSTRIAL ALLOCATION**
 Evans Building
 WASHINGTON, D. C.

Return and Forwarding Postage Guaranteed

PLACE
13c
 STAMP
 HERE

HOWARD L. EXHIBIT X
 OBTAINED *8-19-47* 193
 BY *[Signature]*
 ATTORNEY-EXAMINER
 FILE NO. *28-2-3874*

(Exhibit "A")

(Exhibit "B")

Washington, D. C.

To Addressee:

The within information is essentially important in its employment research service. All information is strictly confidential. Your care in supplying all details will facilitate our work in tabulating your qualifications. This department is not affiliated with any local or field offices.

Please complete the attached card and mail within 5 days. Your immediate attention is requested in order to keep our records up to date.



[Signature]

Registrar

DETACH HERE

Detach This Stub and Mail Card
 Within 5 Days

PLACE
 1c
 STAMP
 HERE

**BUREAU OF
 INDUSTRIAL ALLOCATION**

Suite 801 - Evans Building

Washington, D. C.

in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on September 8, 1942, issued and subsequently served its complaint in this proceeding upon respondents, Edward Lowenthal, Sidney Dean Sarff, and H. J. Whittington, individuals, charging them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. After the issuance of the complaint herein and the filing of respondents' answers thereto, testimony and other evidence in support of and in opposition to the allegations of said complaint were introduced before an examiner of the Commission theretofore duly designated by it, and said testimony and other evidence were duly recorded and filed in the office of the Commission. Thereafter, the proceeding regularly came on for final hearing before the Commission on the said complaint, the answers thereto, testimony and other evidence, report of the trial examiner, brief in support of the complaint (respondent not having filed brief and oral argument not having been requested); and the Commission, having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent, Edward Lowenthal, is an individual, trading as International Research and as Bureau of Industrial Allocation, with his office and principal place of business at 188 West Randolph Street, Chicago, Ill. He has been, and is now, engaged in the sale and distribution of mailing cards, forms, questionnaires, and other printed matter designed for use in obtaining information from or concerning alleged delinquent debtors.

Respondents, Sidney Dean Sarff and H. J. Whittington, are individuals, with their office and principal place of business at 1420 New York Avenue, N. W., Washington, D. C. They assist and cooperate in the conduct of the aforesaid business in the manner hereinafter found.

PAR. 2. Respondent, Lowenthal, causes the said mailing cards, forms, questionnaires, and other printed matter, when sold, to be transported from his place of business in the State of Illinois to purchasers thereof in various other States of the United States. Said respondent maintains, and has maintained, a course of trade in said mailing cards, forms, questionnaires, and other printed or written matter in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 3. Respondent, Lowenthal, sells said mailing cards and other printed material to merchants and various collection agencies for their use in locating and securing information from or concerning debtors and in making collections from such debtors. The cards, forms, questionnaires, and other printed matter sold by said respondent are designed to mislead and deceive persons from whom information is sought as to the use and purpose for which the information is desired. One type of material sold by respondent consists of a printed sheet which reads as follows:

Findings

38 F. T. C.

INTERNATIONAL RESEARCH

TO THE ADDRESSEE Room 801—Evans Bldg. RE: TRUST
 OF THIS NOTICE: 1420 New York Ave., N. W. FUND NO. -----
 Washington, D. C.

THE NAME OF ----- IS AMONG THOSE TO WHOM
 WE HAVE BEEN ORDERED TO PAY A SUM OF MONEY FROM THE
 ABOVE TRUST FUND.

FROM INFORMATION RECEIVED WE BELIEVE YOU ARE THIS
 PERSON, BUT UNDER THE PROVISIONS OF THE TRUST, WE ARE
 COMPELLED TO OBTAIN POSITIVE IDENTIFICATION BEFORE PAY-
 MENT CAN BE MADE.

FOR THIS REASON WE REQUIRE THE COMPLETE INFORMATION
 REQUESTED BELOW. UPON RECEIPT AND VERIFICATION THEREOF
 REMITTANCE WILL BE MADE.

PLEASE GIVE THIS MATTER YOUR PROMPT ATTENTION. UNLESS
 WE RECEIVE THE INFORMATION REQUESTED NOT LATER THAN
 FIFTEEN DAYS FROM THE DATE THAT THIS NOTICE WAS MAILED
 WE ARE INSTRUCTED TO MAKE OTHER DISPOSITIONS OF THE
 AMOUNT INVOLVED.

INTERNATIONAL RESEARCH

Tear off here, retain upper part, mail lower part completely filled out, in
 enclosed envelope properly stamped

Do not mail any other identification papers. This form is sufficient until
 further notice

INTERNATIONAL RESEARCH

Room 901—Evans Bldg. RE: TRUST
 1420 New York Ave., N. W. FUND NO. ----- DATE ----- 19-----
 Washington, D. C.

FOR THE PURPOSE OF ESTABLISHING MY IDENTITY WITH YOUR
 FIRM, I SUBMIT THE FOLLOWING INFORMATION:

MY FULL

NAME IS (PRINT PLAINLY) -----
 (FIRST NAME) (MIDDLE INITIAL) (LAST NAME)

MY RESIDENCE IS -----
 (NO., STREET) (CITY) (STATE)

PARENTS -----
 (FATHER'S NAME) (MOTHER'S MAIDEN NAME)

I AM

EMPLOYED BY ----- SS -----
 (NAME OF EMPLOYER) (OCCUPATION)

ADDRESS

OF EMPLOYER -----
 (STREET) (CITY) (STATE)

I BANK AT -----
 (NAME OF BANK) (BRANCH) (CITY) (STATE)

PERSONAL

REFERENCE -----
 (NAME) (STREET ADDRESS) (CITY) (STATE)

(SIGNED) -----

(A similar form which varies but slightly is used in addressing persons other than a debtor.) This form, accompanied by an envelope addressed to International Research, Room 801 Evans Building, 1420 New York Avenue, N. W. Washington, D. C., is enclosed in an unaddressed envelope. Units of this type, when sold to creditors and collection agencies, are addressed and stamped by such purchasers and thereafter shipped in bulk to respondents Sarff and Whittington, who remove them from the bulk package and deposit them separately in the mail in Washington, D. C., so that each is postmarked "Washington, D. C." Replies received by respondents Sarff and Whittington as a result of the inquiries mailed out are shipped in bulk, unopened to respondent, Lowenthal, in Chicago. When the questionnaires are received and opened by Lowenthal, he is able to identify the returns received by reason of identification numbers, placed on the printed sheets, and he thereupon sends them to the customer to whom the blank form was originally sold. He also mails to the person executing such questionnaire in a manner considered appropriate and sufficient a trivial sum of from one to five pennies, the amount depending upon how he feels at the time. The pennies sent to those who reply to questionnaires are enclosed in a small envelope on the face of which is printed:

RE: TRUST FUND NO. -----

QUESTIONNAIRE RECEIVED AND PROPERLY ANSWERED.

ENCLOSED YOU WILL FIND THE AMOUNT RESERVED AND SET ASIDE FOR YOU.

OUR FILES ARE CLOSED AND FURTHER CORRESPONDENCE UNNECESSARY.

INTERNATIONAL RESEARCH

On August 3, 1942, some time after he became engaged in the sale of the printed materials described above, respondent Lowenthal established a so-called trust fund by opening Savings Share Account No. 15817 in the amount of \$100 in the First Federal Savings & Loan Association of Chicago, Ill. The "trustee and trustor" designated is the wife of respondent Lowenthal. The fund is subject to the sole discretion of the trustee. The beneficiary referred to "shall be the correspondents of International Research." The appointment of a "trustee" is controlled by respondent Lowenthal. No withdrawals have been made from this account, but additional deposits are said to have been made. The trivial sums actually sent to correspondents are taken from a supply of small change maintained by respondent Lowenthal in a cigar box at his home and replenished from respondent's own funds from time to time. This was the case both before and subsequent to the establishment of the so-called trust fund.

PAR. 4. The representations made as aforesaid caused correspondents to believe that "International Research" has its place of business in Washington, D. C., and that they may be the beneficiaries named in some trust and entitled to money or other property in substantial amount, and as a result of such erroneous belief they furnish information sought by respondent Lowenthal for the use of his customers. In truth and in fact, respondent, Lowenthal's, place of business is not in Washington, D. C., and there are no trust funds in his hands in which the debtors concerning

STATISTICAL CONTROL

Classification					Verified					Sub. No.										
Occup.					Base			Mo.		Day		Yr.		Tec.	Lab.	Off.	Pro.	Sten.	Bkp.	Sls.
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3

DO NOT WRITE IN THIS SPACE

BD NO. 1013

Registrant:

The card designated as "VOUCHER" is on a stub carrying directions "Detach This Stub and Mail Card Within 5 Days," and on the reverse side thereof appears the following:

VOUCHER

Registration Number BD NO. 1013

Regional Agent for CENTRAL AREA

Keep This Stub

The voucher stub has no use or purpose, and neither does the so-called "Statistical Control" chart on the return card, except to serve as window dressing to aid in concealing from the addressee respondent's real purpose. The Selective Service Administration sends employment and other questionnaires to registrants and the format of respondent's cards,

as well as the substance of the printing appearing thereon, is such as to aid in creating in the mind of the recipient the belief that the inquiry emanated from a governmental agency. The name "Bureau of Industrial Allocation" contributes substantially to the belief that the inquiry has some relation to industry and employment therein, and this is furthered by the Washington, D. C., post office address. In truth and in fact, respondent's business has no relation to industry or employment therein, and the information sought is entirely for the purpose of aiding in collecting alleged debts.

PAR. 6. The representations made by respondent Lowenthal as "Bureau of Industrial Allocation" have had, and have, the capacity and tendency to, and do, mislead and deceive debtors of his customers and place in the hands of his customers means to mislead and deceive their debtors into the erroneous belief that the Bureau of Industrial Allocation has some relation to industry or employment therein, and that the request for information comes from some governmental agency. As a result, individuals furnish personal information which they would not otherwise supply to respondents.

PAR. 7. The acts of respondent Sarff and Whittington as hereinabove set out constitute an important and essential part of the plan or method of operation by which information is obtained and assist in bringing to fruition the purpose for which the misrepresentations are originally made by respondent, Lowenthal.

CONCLUSION

The aforesaid acts and practices of respondents as herein found are all to the prejudice and injury of the public and constitute unfair and deceptive acts and practices in commerce in violation of the Federal Trade Commission Act.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answers of respondents, testimony and other evidence in support of and in opposition to the allegations of said complaint taken before an examiner of the Commission theretofore duly designated by it, report of the trial examiner, and brief in support of the complaint, and the Commission having made its findings as to the facts and its conclusion that respondents have violated the provisions of the Federal Trade Commission Act.

It is ordered, That respondent, Edward Lowenthal, individually, and trading as International Research, Bureau of Industrial Allocation, or under any other name, and respondents, Sidney Dean Sarff and H. J. Whittington, individuals, and their respective representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of forms, letters, cards, or any other printed or written material for use in obtaining information concerning debtors or alleged debtors, do forthwith cease and desist from:

1. Representing, or placing in the hands of others means of representing, directly or by implication, that money or other property is being

held for persons concerning whom information is sought, or that information sought is for use in determining whether the person about whom information is requested may be entitled to trust funds or other property.

2. Using the words "Bureau of Industrial Allocation," or any other words which import or imply connection with employment, to designate, describe, or refer to the business of respondents, or any of them, in seeking information concerning debtors or alleged debtors.

3. Representing, or placing in the hands of others means of representing, directly or by implication, that information sought concerning debtors or alleged debtors is sought by or on behalf of any governmental agency.

4. Using, or placing in the hands of others for use, forms, letters, questionnaires, or other printed or written material which represents, directly or by implication, that respondents' business is other than that of obtaining information for use in the collection of debts.

It is further ordered, That respondents shall, within 60 days after the 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.