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FEDERAL TRADE COMMISSION

Statement by Earl W. Kintner
Chairman, Federal Trade Commission
Before a Meeting of the Washington
Rotary Club
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That you should have invited the Chairman of the

Tomorrow will be the one day in the year when Washington shoppers and merchants can tackle each other with unrestrained enthusiasm. The bargain hunters who

queue up for an all night vigil--with blankets and sandwiches--are under no illusion that the bargains they want are in adequate supply.

In short may the Washington Birthday sale tomorrow

be a festive occasion with the word "sensational" flown from every store and shop. And may the real bargains bring satisfaction to their buyers.

What the Commission has been fighting is not the eye-twinkling "sensational" merchandising that has become traditional on Washington's birthday but the slick selling methods used by an unscrupulous few during the other 364 days in the year. Here tolerance drains away, and the

most organizations of businessmen instinctively shy away

agency of government. The business attitude, I suspect,
is that if the partner is too big and too powerful and too
headstrong, the partnership will get out of hand—like the

rooster that was locked in a stall with a horse and said:

and the sooner and the more vigorously the job is completed, the better.

What we've been doing at the Federal Trade Commission is a good start--but only a start. Here are some of the highlights:

During the past year and a half, my tenure as Chairman of the Federal Trade Commission, the Commission has made an unprecedented effort to make the Federal City

~~... absence of fair business competition. Under this~~

involving Washington used car dealers. Recently the

Commission has also moved vigorously against deceptive claims made by automobile seat cover sellers in the District.

involving the local home improvement industry. Some

in appropriate instances attempted to secure industry-wide compliance with the law quickly and cheaply

through the voluntary conference technique. This technique is particularly effective where honest businessmen feel compelled to engage in unlawful practices because all their competitors engage in the same practices and they do not wish to be left behind in the sales race. Here in Washington the Federal Trade Commission

The Commission's Bureau of Consultation moved quickly to conduct a conference for all the furniture stores in the area. At this meeting an agreement to eliminate fictitious pricing simultaneously throughout the area was

With the whole country to police, it might seem that
the nation's capital has been given more than its fair share

of the responsibility as Chairman of the Commission. It
was last October in an address to the Advertising Club and
the Better Business Bureau of Metropolitan Washington that
I declared myself on this point. My speech was entitled:
"Business Racketeering Must Be Eliminated from the Nation's

Capitol."

I did not mean to imply then--nor do I now--that
Washington's business practices are worse than in any other

Thus, to them, Washington illustrates our free enterprise system not as we preach it but as we practice it. We Americans know that any business chicanery in Washington is the rare exception, but to foreign eyes, any such instance is a revelation of national corruption--to think that even in the capital of the United States are shameful practices tolerated! You may smile at this lack of logic, yet Americans are guilty of the same shallow judgments. What American tourist swindled in a foreign capital would not

swindlers?

The Federal Trade Commission cannot afford to spend
an undue amount of its resources in policing business

called me the other day with a strange request. "Now that

would like to interview you on what you really think about the Commission and its potential."

I was somewhat startled. I asked him if he thought I had been traveling from one end of the country to the other making speeches and saying things I didn't believe.

He was a little embarrassed but only for a moment.

as a private citizen in a very few days--my convictions are the same. If our trade regulation laws are to be enforced effectively, the main thrust of enforcement must come from business itself--with government as an alert and aggressive partner. It is a challenge awful in its

enormity and its gravity, yet the alternative is the further erosion of freedom.

Let business know and live up to its responsibilities. Let government be the instrument of thoughtful men, not the master of fools.