

For release upon delivery at 2:15 p.m.
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"At The Crossroads"

Remarks

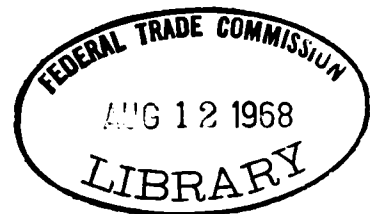
of

James M. Nicholson, Commissioner
Federal Trade Commission

Before the

Section of Administrative Law,
91st Annual Meeting of
the American Bar Association

Philadelphia Civic Center,
Philadelphia, Pa.



"At The Crossroads" *

My assigned topic is the "Consumer Concerns of the
Federal Trade Commission." The general topic of the program

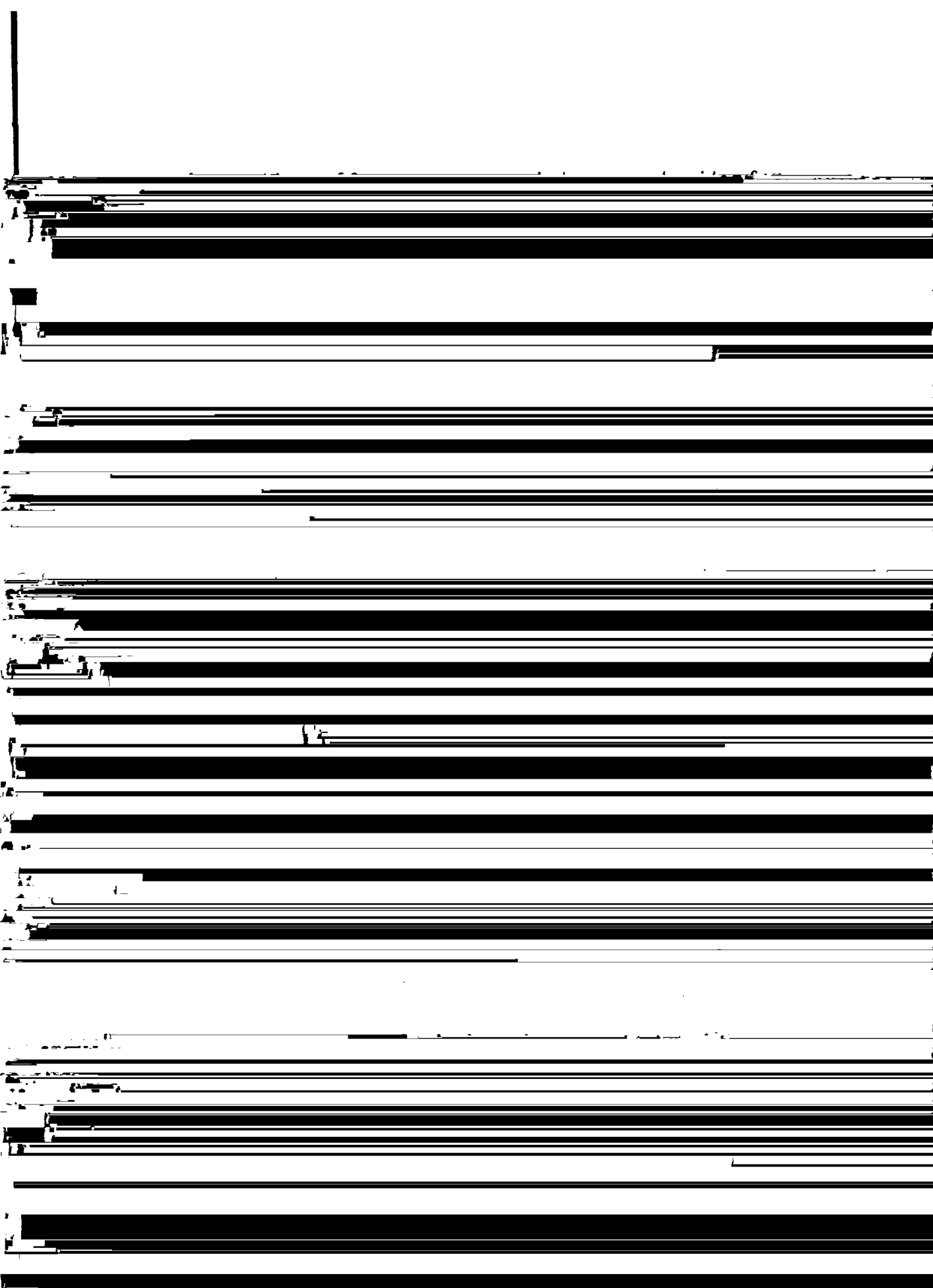
But let's not forget that the statutes of both the federal government and the state governments derive from the same general policy -- protection of the consumer. Their specific

means for effectuating this policy, however, are as divergent as they are numerous. Now the last two Congresses have passed a number of very important statutes that call for further pervasive federal regulation in areas previously regulated

Accordingly, the areas of possible conflict between federal and state authorities are numerous, and the possibilities

for such conflicts would goer high. However, I doubt that there will be much conflict between us -- if conflict means the engagement of two groups with opposing views and purposes. History would indicate that rather than quarrel, it is more likely that we will plod our separate ways. This history has been unsatisfactory and we must not permit it to continue.

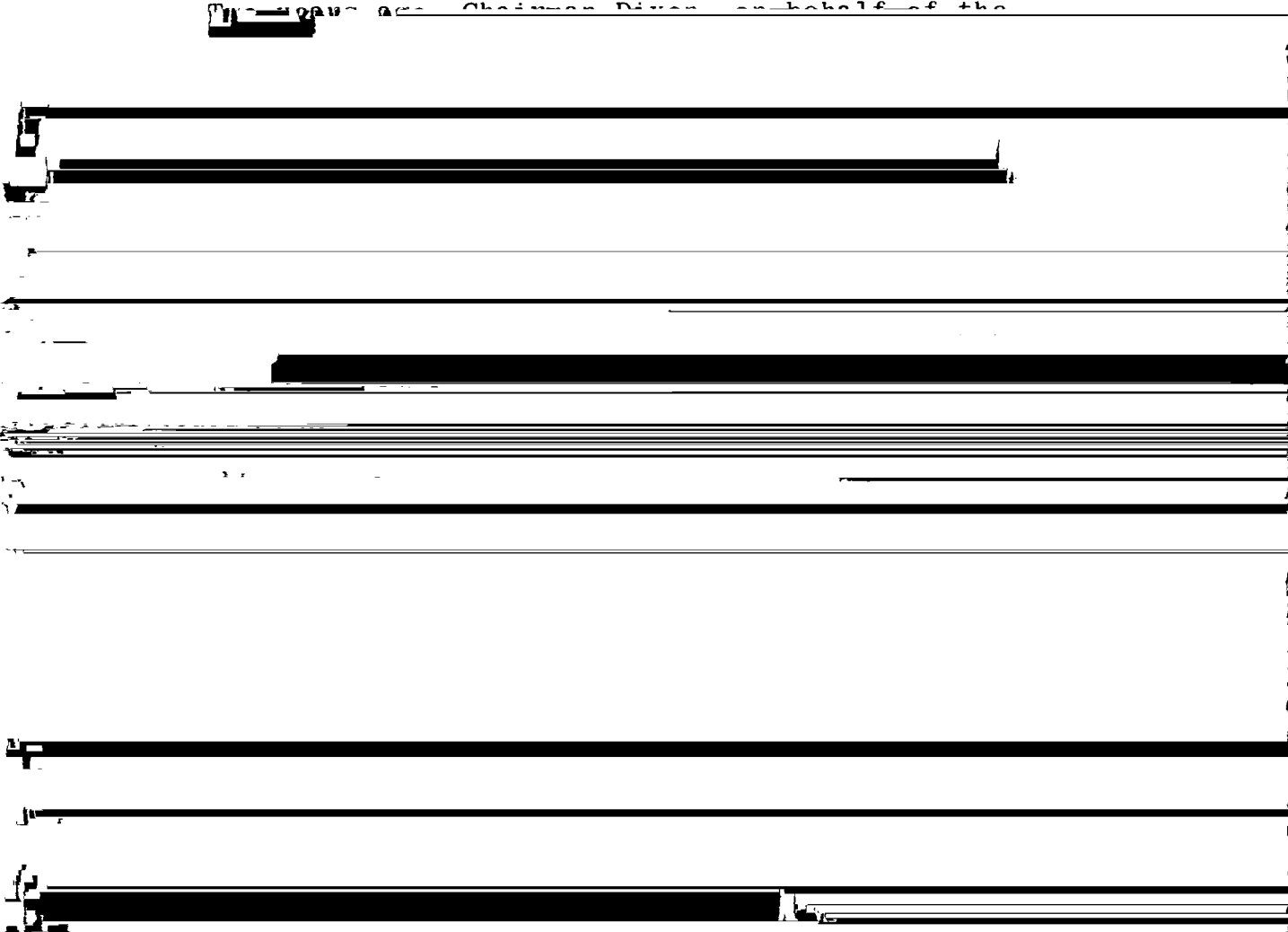
The "travel your own path" -- "Look after your own



interstate sale of goods. Because of budgetary restrictions

Federal Trade Commission." * In 1950 most states had laws of the so-called "Printers' Ink" type which declare false advertising and certain deceptive practices to be misdemeanors. However, as Callman has pointed out: "[t]hough these statutes generally obviate the necessity of proving scienter, the few reported cases reveal their inadequacy. They are applicable only to categorical misrepresentations of fact and, therefore, are easily circumvented and practically incapable of outlawing any but the most blatant falsehoods." **

~~_____~~ Chairman Dixon on behalf of the



acts and practices and false advertising. By so doing.

Trade Commission Act. In 1967 alone, eight states adopted legislation pertaining to unfair trade practices and consumer protection. At least three states, on the suggestion of the

have adopted licensing laws whose purposes are to protect consumers from practices long matters of concern to consumer agencies. Again through the efforts of the National Conference of Commissioners on Uniform State Laws, a number of states have enacted the Uniform Deceptive Trade Practices Act, a

thorough that we look with great confidence to early
effectuation of the statute's purposes.

Together with the Food & Drug Administration, we have already embarked upon a series of regional conferences with state officials so that they could begin the task of reevaluating state law and regulations to conform with the federal statute. Together we are seeking to arrive

mark the high point of federal-state cooperation w high

the hallmark of all consumer protection efforts

of the statute with respect to national merchants and finance companies, I see great difficulty in meaningfully implementing the statute with the corner jeweler and loan company.

In terms of scope, purpose, and a reasonable route to

While there are some who say that consumer credit protection is now the sole concern of the federal government, I disagree. I see the new statute not as one that excludes, or discourages state participation, but rather as one that offers a stimulant for effective state regulation -- if not one whose purposes require such action.

To some it may sound either strange or heretical that

march. To an extent, this is true. We are always moving.

price paid can be cumbersomeness and lack of adaptability.
With this in mind, I am inclined to urge a smaller, more
simple and manageable effort in the field - perhaps trying
different methods and approaches in different communities
and utilizing the assistance of state agencies and local

Ask the poor about their day-to-day dealings for goods which most of America consider day-to-day necessities. Ask your Congressional representatives, the Federal Trade Commission and state officers about their mail. Finally, ask our prominent manufacturers and retailers, who have

think "consumerism" is just politics.

There is a conflict in a number of

areas between federal and state authorities entrusted with