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**COMPLIANCE WITH COMMISSION ORDERS**

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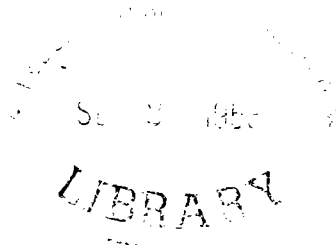
**Hon. Edward F. Howrey, Chairman  
Federal Trade Commission**

Before the

**AMERICAN INSTITUTE OF WHOLESALE  
PLUMBING AND HEATING SUPPLY ASSOCIATIONS**

**New York, N. Y.**

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**COMPLIANCE WITH COMMISSION ORDERS**

It is a distinct pleasure to take part in the national convention of the American Institute of Wholesale Plumbing and Heating Supply Associations.

I have read with interest and profit the history of the Wholesale

Associations in your industry and noted the progress since the formation of your first association some sixty years ago. I congratu-

that it is a credit to your industry if it could long survive

I reflected on these questions and decided to make an immediate study of Federal Trade Commission compliance. The scope of such a study is indicated by the fact that the Commission has outstanding

and local Better Business Bureaus. Only when prodded by complaints from these and other sources has the Commission checked on com-

pliance.

I am certain that many of the Commission's orders have proved ineffectual because of this inadequate review. In 1946 a House Committee reported:

"What seems to be really crucial is that the Federal Trade

order is the conviction that an order and a compliance

Commission has authority to require corporations, subject to cease and desist orders, to file special reports of compliance; that failure

The feasibility and authority of the Commission to inaugurate and

cannot do under the order.

On the other hand, it must be remembered that it is not within the province of the Commission, and certainly beyond its ability and qualifications, to formulate affirmative business practices for a par-

The staff committee, which I have today set up, will also study procedures for obtaining compliance with trade practice rules and stipulations to cease and desist. These, of course, depend on voluntary measures.

Of the 8,400 stipulations outstanding, it is estimated that the Com-