

1975
11/24/76

FEDERAL TRADE COMMISSION
WASHINGTON, D. C. 20580

DEPARTMENT OF
CONSUMER PROTECTION

Dear

On January 4, 1975, the Federal Trade Commission Act provides that any person, partnership or corporation is liable to penalties of \$10,000 per violation for engaging in acts or practices which the Commission has determined to be deceptive or unfair or to constitute unfair trade practices. (15 U.S.C. §45(m)(1)(B)). A copy of the relevant statute is attached.

This letter together with the enclosed Explanatory Decisions is to inform you of certain practices, specifically the use of "and" in labeling of toys, which the Commission has determined to be in violation of Section 5(a)(1) of the Federal Trade Commission Act and to notify you of the possibility of a fine for each violation and the fine to be assessed statutorily if a business is in fact engaged in them. A brief summary of those determinations is as follows:

It is an unfair and deceptive act or practice to improve the performance of a toy. Explanatory Decision No. 1251, January 20, 1964.

It is an unfair and deceptive act or practice to use the words "and" on containers, to create a false and misleading impression of the contents. Explanatory Decision No. 1251, January 20, 1964.

In order to avert possible action by the Federal Trade Commission you should immediately discontinue the practices proscribed by the enclosed Explanatory Decisions.