

SYNOPSIS OF FEDERAL TRADE COMMISSION DECISIONS
CONCERNING SALES OF MERCHANDISE OR SERVICES

The Federal Trade Commission has determined that the following acts or practices in the sale of merchandise or services are deceptive or unfair and are unlawful under Section 5 (a) (1) of the Federal Trade Commission Act.

- It is an unfair or deceptive act or practice for a salesman to misrepresent either the nature of his employment or his purpose in contacting a prospective customer 1/.
- It is an unfair or deceptive act or practice to represent that a prospective customer has been specially selected to receive merchandise, or that he can receive merchandise on special terms if he assists in the advertising or promotion of such merchandise, when such is not the case 2/.

1/ The Crowell-Collier Publishing Company, et al., Docket 7751 (September 30, 1966); Basic Books, et al., Docket 7016; Holland Furnace Co., Docket 6203 (July 7, 1958).

2/ The Crowell-Collier Publishing Company, et al., Docket 7751; Basic Books, et al., Docket 7016; Gulf Coast Aluminum Supply, Inc., et al., Docket 8662 (March 24, 1967); Arthur Murray Studio of Washington, Inc., et al., Docket 8776 (February 23, 1971).

- It is an unfair or deceptive act or practice to represent that merchandise is offered free of charge when such merchandise is offered only in connection with other purchases whose cost includes that of the merchandise offered for “free” 3/.
- It is an unfair or deceptive act or practice to misrepresent the period of time over which a product’s cost can be paid or the size of the payments over such period of time 4/.

3/ The Crowell-Collier Publishing Company, et al., Docket 7751 (September 30, 1966); Basic Books, et al., Docket 7016; Arthur Murray Studio of Washington, Inc., et al., Docket 8776 (February 23, 1971).

4/ Standard Education, Inc., et al., Docket 8807 (December 6, 1971); Basic Books, et al., Docket 7016.