

more important factor in leading people to sign up for credit than are the written terms of the contract or the guarded verbal statements of the salesman. A man's mind is commonly made up by the time he goes to the second-hand car dealer, the furniture store, or the finance company. By that time he is commonly "hooked."

The abuses in the advertising of credit are widespread. The emphasis is commonly laid on low downpayments and on so much a month in dollars without stating the cash price of the article or the actual interest rate. The second improvement in the Sullivan bill is to extend the requirement, as I said. I took a couple of newspapers last night and ripped out the pages on advertising of automobiles, generally second-hand automobiles. I would like to pass them up. We have checked some of them which indicate weaknesses. In some cases they don't even mention the amount of the monthly payment or the number of months, merely mention a low downpayment. When one of the bills was before the Senate I staged a chamber of horrors. We clipped these papers from all over the country, blew them up, and filled the Senate room with charts showing these rates and I tried to get hold of them for this morning's hearing, but they are gone. I found some in the files. Here is a very chaste advertisement from a bank which reads, "Hotdog cash," and the advertisement is a sandwich with a hotdog in it.

I may say that it does not give the annual rate. I will send this up, too.

In order to preserve the good will of the press I ask the name of the newspapers in which these ads appear should not be included in the record.

Mrs. SULLIVAN. That will be agreeable, I'm sure.

Mr. DOUGLAS. Here is another one which does not give the rate.

Mrs. SULLIVAN. We will include some of these in the hearing record, Senator, following your statement.

(The clippings referred to may be found in the appendix, p. 928.)

Mr. DOUGLAS. Sometimes a monthly, but not a yearly, rate is given. Often the rate is advertised on the original amount borrowed or owed but not on the unpaid declining balance. It may be remembered that it was on this latter ground that the Federal Trade Commission years ago compelled General Motors to revise its advertising and that the Federal circuit court upheld the legality and constitutionality of this ruling. General Motors appealed to the Supreme Court. The Supreme Court denied granting GM the right of certiorari so the appeal was not heard.

I have always thought that this constituted some affirmation by the Supreme Court but my lawyer friends tell me this silence on the part of the Court and refusal of the Court to hear the case does not close the constitutional issue.

But I confess I never dared to include advertising in any of my bills because I was afraid that if I did so it would cause the newspapers to come out in active opposition to the bill and thus kill any chance of passage.

Bill, I am glad to see you. I have just paid you some compliments.

Mr. WIDNALL. Will the gentleman yield? I in turn would like to pay you a great compliment, a great compliment for all the work you did, not just in this field but in other areas while you were here on the Hill. I am sure, even though I am from the other party, we all miss