

of the Federal Trade Commission Act—"Unfair Methods of Competition in Commerce"—"An unfair or deceptive act or practice in commerce is hereby declared unlawful"—something to that effect. Now, this means in commerce. So we could only act, strictly speaking, within the domain of "in commerce" clause here.

Mrs. SULLIVAN. You do say in your statement enactment of legislation is necessary in order to carry this out?

Mr. DIXON. This is quite right. One thing about this bill, you are riding the monetary clause and the monetary clause is much broader than the interstate commerce clause. I would say if it is the desire of this committee and the Congress to include this in the bill and leave it in the bill I think it is well that it is left in the bill, and if you assign it to the Commission it will clarify and strengthen our hand of jurisdiction. I think this would be a proper way to approach it, because were it not in the bill, we still are charged with moving against deceptive practices and the failure to put something in advertising has been established as a deceptive practice, but the failure—our problem comes somewhat as to whether or not it is in commerce. Now, clearly, here within the District of Columbia where we have complete responsibility, there is no problem, but as to whether a small vendor in Indianapolis, Ind., sitting in the center of a State, not in interstate commerce, fails to advertise and disclose everything that he should as to whether or not we have the proper tool now to move down and proceed against him is quite questionable, although I believe we do have the jurisdiction if it should be placed in a newspaper that by happenstance would go across the line, but this opens up a completely new vista for the Federal Trade Commission in responsibility, and I think it would be desirable as you have encompassed it in this bill—if you are going to go in this direction, and I have read Governor Robertson's presentation to the committee, I think he mentioned that he felt the Federal Trade Commission had more expertise and you ought to reconsider if it is going to be done perhaps assigning it there. I think that is true. I think very definitely the Federal Trade Commission has the expertise in the Government establishment in this area.

Mrs. SULLIVAN. I would like to clarify something in my own mind pertaining to this. I realize that not all of the specific terms and details are written down here. But if a bank wanted to advertise or a loan company wanted to advertise easy credit terms, this would not be misleading as long as they stop there. But if they were to advertise easy credit terms at 4 percent interest—

Mr. DIXON. That was not 4 percent interest—

Mrs. SULLIVAN. That could be anything from 4 to 40.

Mr. DIXON. In the next paragraph, we state we have proceeded against the General Motors Corp. in such a case. There wasn't any question about General Motors being in commerce, but the bank in Indianapolis or Tennessee—all those transactions take place right there. The question here is you have to have someone move down there in the Federal Establishment, to do something about that.

Mrs. SULLIVAN. And you can do something about it now only if it were in interstate commerce?

Mr. DIXON. This clearly has been the track we have proceeded on there for 50 years.