

Decision

IN THE MATTER OF
MAWSON DeMANY FORBES, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS*Docket 7269. Complaint, Oct. 1, 1958—Decision, Feb. 3, 1959*

Consent order requiring furriers in Philadelphia, Pa., to cease violating the Fur Products Labeling Act by deceptive pricing and savings claims for fur products, including false representations in advertising in newspapers that prices were "Below original cost" and "Below wholesale"; that purchasers could "Save one-third and more," could save money because of "tremendous buying power" and "a half-million dollars' worth of * * * inventory * * * being liquidated"; and that fur products offered were from the stock of a liquidating business.

Mr. John T. Walker for the Commission.

Mr. Isadore S. Wachs, of Philadelphia, Pa., for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with the violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and the Federal Trade Commission Act. An agreement has now been entered into by respondents and counsel supporting the complaint which provides, among other things, that respondents admit all of the jurisdictional allegations in the complaint; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and agreement; that the inclusion of findings of fact and conclusions of law in the decision disposing of this matter is waived, together with any further procedural steps before the hearing examiner and the Commission; that the order hereinafter set forth may be entered in disposition of the proceeding, such order to have the same force and effect as if entered after a full hearing, respondents specifically waiving any and all rights to challenge or contest the validity of such order; that the order may be altered, modified, or set aside in the manner provided for other orders of the Commission; that the complaint may be used in construing the terms of the order; and that the agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

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The hearing examiner having considered the agreement and proposed order and being of the opinion that they provide an adequate basis for appropriate disposition of the proceeding, the agreement is hereby accepted, the following jurisdictional findings made, and the following order issued:

1. Respondent Mawson DeMany Forbes, Inc., is a corporation organized, existing and doing business under the laws of the Commonwealth of Pennsylvania. Individual respondents Morris B. Marks, Barrie A. Marks, and David Marks are president and treasurer, vice president and secretary, and assistant treasurer, respectively, of said corporation. The office and principal place of business of all of said respondents is located at 1133 Chestnut Street, Philadelphia, Pa.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That Mawson DeMany Forbes, Inc., a corporation, and its officers, and Morris B. Marks, Barrie A. Marks, and David Marks, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, offering for sale, transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation, or distribution of fur products which are made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

1. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale, or offering for sale of fur products, and which:

A. Represents, directly or by implication, that fur products are offered for sale at prices which are below the cost to respondents, when such is not the fact.

B. Represents, directly or by implication, that fur products are offered for sale at prices which are below wholesale prices, when such is not the fact.

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C. Represents, directly or by implication, that price concessions of fur products have been obtained due to buying power, or for any other reason, when such is not the fact.

D. Represents, directly or by implication, that respondents' inventory of fur products advertised and offered for sale is in excess of the actual inventory.

E. Represents, directly or by implication, through percentage savings claims, that the regular or usual retail prices charged by respondents for fur products in the recent regular course of business were reduced in direct proportion to the amount of savings stated, when contrary to fact.

F. Represents, directly or by implication, that any such products are the stock of a business in a state of liquidation, when contrary to fact.

DECISION OF THE COMMISSION AND ORDER TO FILE
REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 3d day of February 1959, become the decision of the Commission; and, accordingly:

It is ordered, That respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

IN THE MATTER OF
KELLER FUR COMPANY

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS

Docket 7196. Complaint, July 18, 1958—Decision, Feb. 4, 1959

Consent order requiring a furrier in Kansas City, Mo., to cease violating the Fur Products Labeling Act by tagging certain fur products with the name of an animal in addition to that of the animal producing the fur; by failing to conform to the labeling and invoicing requirements of the Act; and by advertising in newspapers which failed to disclose the names of animals producing the fur in certain products, the country of origin of imported furs, and the fact that fur products contained artificially colored or cheap or waste fur, and which represented falsely that his regular prices were higher than the advertised sale prices.

Mr. Thomas A. Ziebarth for the Commission.
Respondent, for himself.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondent with misbranding and with falsely and deceptively invoicing and advertising certain of his fur products, and with failing to maintain full and adequate records disclosing the facts upon which were based pricing and savings claims and representations as to such products, in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act.

After the issuance of the complaint, respondent and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the director and an assistant director of the Commission's Bureau of Litigation, and thereafter transmitted to the hearing examiner for consideration.

The agreement states that respondent is an individual trading as Keller Fur Company, and has his office and principal place of business located at 218 East 11th Street, Kansas City, Mo.

The agreement provides, among other things, that respondent admits all the jurisdictional facts alleged in the complaint, and agrees that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations; that the record on which the initial decision and the decision of

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the Commission shall be based shall consist solely of the complaint and this agreement; that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission; that the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the agreement is for settlement purposes only, and does not constitute an admission by respondent that he has violated the law as alleged in the complaint; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondent waives any further procedural steps before the hearing examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights he may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully disposes of all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act. Accordingly, the hearing examiner finds this proceeding to be in the public interest, and accepts the agreement containing consent order to cease and desist as part of the record upon which this decision is based. Therefore,

It is ordered, That the respondent Abe Keller, an individual trading as Keller Fur Company, or under any other name, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

1. Misbranding fur products by:
 - (a) Failing to affix labels to fur products showing:
 - (1) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the

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Fur Products Name Guide and as prescribed under the Rules and Regulations;

(2) That the fur product contains or is composed of used fur, when such is the fact;

(3) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(4) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(5) The name, or other identification issued and registered by the Commission, of one or more persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce;

(6) The name of the country of origin of any imported furs used in the fur product;

(7) The item number or mark assigned to a fur product;

(b) Setting forth on labels the name of an animal in addition to the name of the animal that produced the fur;

(c) Setting forth on labels attached to fur products:

(1) Information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form;

(2) Information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder which is intermingled with non-required information;

(3) Information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting;

(4) Information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in improper sequence;

(d) Affixing to fur products labels that are inconspicuous;

2. Falsely or deceptively invoicing fur products by:

(a) Failing to furnish invoices to purchasers of fur products showing:

(1) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the Rules and Regulations;

(2) That the fur product contains or is composed of used fur, when such is the fact;

(3) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(4) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(5) The name and address of the person issuing such invoices;

(6) The name of the country of origin of any imported furs contained in the fur product;

(7) The item number or mark assigned to the fur product;

3. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, or notice which is intended to aid, promote, or assist, directly or indirectly, in the sale or offering for sale of fur products, and which:

(a) Fails to disclose the name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the said Rules and Regulations;

(b) Fails to disclose that the fur products contain or are composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(c) Fails to disclose that the fur products are composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(d) Fails to disclose the name of the country of origin of the imported furs contained in fur products;

(e) Represents, directly or by implication, through the use of percentage savings claims or any other means, that any savings are afforded from respondent's regular prices unless the amount for which they are offered constitutes a reduction from the price at which said fur product had been sold by respondent in his recent regular course of business;

4. Making use in advertisements of price reduction or percentage savings claims unless respondent maintains full and adequate records disclosing the facts upon which such claims are based.

DECISION OF THE COMMISSION AND ORDER TO FILE
REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the Hearing Examiner shall, on the

4th day of February 1959, become the decision of the Commission; and, accordingly:

It is ordered, That respondent Abe Keller, an individual trading as Keller Fur Company, shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which he has complied with the order to cease and desist.

