

Complaint

71 F.T.C.

IN THE MATTER OF

DUBROWSKY & JOSEPH, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION AND THE WOOL PRODUCTS
LABELING ACTS*Docket C-1166. Complaint, Feb. 7, 1967—Decision, Feb. 7, 1967*

Consent order requiring a New York City manufacturer of ladies' coats to cease misbranding the fiber content of interlinings of its wool coats, and failing to comply with other statutory requirements.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Dubrowsky & Joseph, Inc., a corporation, and Morris Dubrowsky, Morris Joseph, Irving Dubrowsky and Rubin Joseph, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act of 1939, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Dubrowsky & Joseph, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Individual respondents Morris Dubrowsky, Morris Joseph, Irving Dubrowsky and Rubin Joseph are officers of said corporation. They are responsible for and formulate the acts, practices and politics of said corporation, including the acts and practices hereinafter referred to.

Respondents are manufacturers of wool products (ladies coats) with their office and principal place of business located at 520 Eighth Avenue, New York, New York.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, respondents have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped, and offered for sale, in commerce, as "commerce" is defined in said Act, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded within the intent and meaning of Section 4(a) (1) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were ladies coats stamped, tagged, labeled, or otherwise identified as containing 100% wool interlining, whereas in truth and in fact, such interlining contained substantially different amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(a) (2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, was a wool product, namely a ladies coat, with a label on or affixed thereto, which failed to disclose the percentage of the total fiber weight of the wool product, exclusive of ornamentation not exceeding 5 per centum of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool, when said percentage by weight of such fiber was 5 percentage or more; (5) the aggregate of all other fibers.

PAR. 5. The acts and practices of the respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce, within the intent and meaning of the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by the respondents that the law has been violated as alleged in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having reason to believe that the respondents have violated said Acts, and having determined that complaint should issue stating its charges in that respect, hereby issues its complaint, accepts said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Dubrowsky & Joseph, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 520 Eighth Avenue, New York, New York.

Respondents Morris Dubrowsky, Morris Joseph, Irving Dubrowsky and Rubin Joseph are officers of said corporation and their address is the same as that of said corporation.

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 Dubrowsky & Joseph, Inc., a corporation, and its officers, and Morris Dubrowsky, Morris Joseph, Irving Dubrowsky and Rubin Joseph, 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, or manufacture for introduction, into commerce, or the offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to, or place on, each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner each element of

information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That the 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 this order.

IN THE MATTER OF

PANAT JEWELRY CO., INC., ET AL.

ORDER, OPINION, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 8660. Complaint, April 30, 1965—Decision, Feb. 8, 1967

Order requiring New York City distributors of perfumes and costume jewelry to jobbers and retailers, to cease deceptively preticketing and misbranding its perfume and jewelry as to the regular selling price and composition, ambiguously using French words and symbols to falsely imply that its perfumes are imported, and furnishing retailers with means and materials to deceive the public in the above enumerated ways.

COMPLAINT *

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Panat Jewelry Co., Inc., a corporation, and Nathan Jachter, individually and as an officer of said corporation, and Nathan Jachter doing business and trading as Jác de Paris, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Panat Jewelry Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 162 Fifth Avenue, in the city of New York, State of New York.

Respondent Nathan Jachter is an officer of the corporate respondent. He formulates, directs and controls the acts and prac-

* Reported as amended by order of hearing examiner dated June 14, 1965, to reflect correct address of respondent.

tices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

Respondent Nathan Jachter has registered the trade name "Jáq de Paris" under his own name and at the same address. The name "Jáq de Paris" is used in connection with the sale of certain of respondents' products as hereinafter mentioned.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of perfumes, toilet waters, cosmetics and costume jewelry for men and women to distributors, jobbers, and retailers for resale to the public.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products, when sold, to be shipped from their place of business in the State of New York, or from such other State in which said products are ultimately packaged, to purchasers thereof located in various other States of the United States and in the District of Columbia, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Respondents sell their products through salesmen who call on the trade, through exhibits of their said products at various regional trade markets, through advertisements in newspapers, trade publications, other periodicals and circulars.

PAR. 5. Respondents for the purpose of inducing the purchase of their products, have engaged in the practice of using fictitious pricing and of misrepresenting the material of which their products are made or composed, the identity of the manufacturer and the country of origin or manufacture by the following methods and means:

(a) By using cardboard boxes or cartons, in which their bottled perfumes are packaged, on which are printed, or otherwise affixed, the figures "10.00," "15.00" or some other amount, and in advertisements and circulars, respondents thereby represented, directly or indirectly, that said amounts are the dollar prices that have been established in good faith as an honest estimate of the actual retail price and that they do not appreciably exceed the highest price at which substantial sales are or have been made at retail in respondents' trade area. In truth and in fact, said amounts are fictitious and are appreciably in excess of the highest

price at which substantial sales of said preticketed articles are made at retail in respondents' trade area.

(b) By using cardboard boxes or containers in which their bottled perfumes are packaged, on which are printed, or otherwise affixed on labels, in large print, the initial letters such as, but not limited to, "A," "C," "M" and "W" and, through salesmen calling on distributors, jobbers and retailers, respondents have thereby represented, directly or by implication, that the said perfumes so designated are those of or the same as those perfumes, sold under the brand names, "Arpege" by Lanvin Parfums, Inc., of New York, N.Y., "Chanel No. 5" by Chanel, Inc., of New York, N.Y., "My Sin" by Lanvin Parfums, Inc., of New York, N.Y., and "White Shoulders" by Parfums Evyan, Inc., of New York, N.Y. In truth and in fact, said perfumes sold by respondents are designated or labeled with the initial letters "A," "C," "M" and "W," are not the same as, nor those of, the said brand names "Arpege" by Lanvin Parfums, Inc., "Chanel No. 5" by Chanel, Inc., "My Sin" by Lanvin Parfums, Inc., or "White Shoulders" by Parfums Evyan, Inc.

(c) By use of the name "Jáq de Paris" and by a depiction of the Eiffel Tower with the tricolor French flag flying on top in connection with the name "Jáq de Paris" they have thereby represented, directly or by implication, that the same are French perfumes and are made, manufactured or compounded in Paris, France, and by a business entity or concern "Jáq de Paris." The representations are further accentuated by the wording "DISTRIBUTED BY JÁQ DE PARIS, NEW YORK, N.Y.," or by words or markings of similar import or meaning used on containers in which the bottles of perfume are packaged and otherwise. In certain circulars used by respondents the words "Boudoir Ensemble" and "Paris Inspired Perfume" appear thereon. Respondents thereby add further support to the representation that their perfumes are made in France or are connected in some manner with Paris, France. In truth and in fact, Jáq de Paris is a trade name used by respondents and said perfumes are not French perfumes and are not made, manufactured or compounded in Paris nor in France; that same are not manufactured by a separate business entity or concern "Jáq de Paris" located in Paris nor in France. Respondents are not distributors for a business entity or concern under the name of Jáq de Paris located in Paris, France.

(d) By using individual boxes for packaging costume jewelry inside the top lid of which appears the wording or legend "STERLING SILVER" under the name "Panat," or under what appears to be

