



Office of the Secretary

UNITED STATES OF AMERICA  
FEDERAL TRADE COMMISSION  
WASHINGTON, D.C. 20580

July 18, 2013

Curt Kammeraad  
State of Arizona

Re: *In the Matter of The Neiman Marcus Group, Inc., File No. 082 3199, Docket No. C-4407*

Dear Mr. Kammeraad:

Thank you for commenting on the Federal Trade Commission's proposed consent agreement in the above-referenced proceeding. The Commission has placed your comment on the public record pursuant to Rule 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 C.F.R. § 4.9(b)(6)(ii), and has given it serious consideration.

Your comment raised concern that the agreement imposed "no sanction at all" on the respondent. Your comment further stated that a significant sanction is warranted because the respondent was under FTC investigation in 2009 for similar Fur Act violations. Your comment suggests that the Commission, therefore, seek more stringent relief against both the respondent and its officers and managers because they "willfully and purposefully" violated the Fur Act.

After consideration of your comment, the Commission has determined that the relief set forth in the consent agreement is appropriate and sufficient to remedy the violations alleged in the complaint. First, the order imposes significant relief. Specifically, it prohibits the respondent from web, mail, and catalog advertisements that violate the Fur Act and Rules. Under federal law, a violation of an FTC order is punishable by a civil penalty of up to \$16,000 per violation. Therefore, if the Commission learns of violations by respondent in the future, the Commission can initiate an action seeking civil penalties for those violations. Moreover, the respondent has offered refunds to all consumers who purchased the falsely advertised products. Second, the Commission determined that it is not necessary to hold individual managers or officers liable. Whether it is appropriate to name individual managers, officers, or employees in a complaint is a fact-specific determination. Here, the Commission did not conclude or allege that any such individuals bore particular responsibility for the alleged wrongdoing; nor is there reason to believe that any would leave Neiman Marcus and form a new entity in order to avoid the order.

Commenter Kammeraad  
July 18, 2013

Accordingly, the Commission has determined that the public interest would best be served by issuing the Decision and Order in this matter in final form without modification. The final Decision and Order and other relevant materials are available from the Commission's website at <http://www.ftc.gov>. It helps the Commission's analysis to hear from a variety of sources in its work, and we thank you again for your comment.

By direction of the Commission.

Donald S. Clark  
Secretary