

Complaint

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ninety (90) days thereafter until respondent has fully complied with the divestitures ordered herein, submit to the Federal Trade Commission a written report setting forth in detail the manner and form in which respondent intends to comply, or is complying or has complied with this Order, together with such other information relating to compliance as may be requested by the Federal Trade Commission.

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IN THE MATTER OF  
HARRY CAMP MILLINERY CO, ET AL.

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

*Docket C-1025. Complaint, Dec. 21, 1965—Decision, Dec. 21, 1965*

Consent order requiring a California retailer of wool and fur hats, operating approximately 200 leased departments in department stores in 23 States, to cease misbranding its hats and falsely invoicing and advertising its fur products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Fur Products Labeling 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 Harry Camp Millinery Company, a corporation, and Harry F. Camp, Jr., Meyer M. Camp and David L. Wilson, 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 Fur Products Labeling Act and 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. Harry Camp Millinery Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of California. Their office and principal place of business is located at 140 Geary Street, San Francisco, California.

Individual respondents Harry F. Camp, Jr., Meyer M. Camp, and David L. Wilson are officers of said corporation and formulate,

direct and control the acts, practices and policies of said corporation including those hereinafter set forth. Their address is the same as that of said corporation.

Respondents are retailers of wool and fur hats and operate approximately 200 leased departments in department stores in about 23 States.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondents have been and are now engaged in the introduction into commerce, and in the sale, advertising and offering for sale in commerce, and in the transportation and distribution in commerce, of fur products; and have sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products, but not limited thereto, were fur products with labels which failed:

1. To show the true animal name of the fur used in the fur product.

2. To show that the fur contained in the fur product was bleached, dyed or otherwise artificially colored, when such was the fact.

PAR. 4. Certain of said fur products were misbranded in violation of the Fur Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

1. The term "Dyed Broadtail-processed Lamb" was not set forth on labels in the manner required by law, in violation of Rule 10 of said Rules and Regulations.

2. The term "natural" was not used on labels to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

3. Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth in the required sequence, in violation of Rule 30 of said Rules and Regulations.

PAR. 5. Certain of said fur products were falsely and deceptively invoiced by the respondents in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act, and the Rules and Regulations promulgated under such Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were fur products covered by invoices which failed:

1. To show the true animal name of the fur used in the fur product.
2. To show the country of origin of imported furs used in the fur products.
3. To disclose that the fur contained in the fur product was bleached, dyed or otherwise artificially colored, when such was the fact.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth on invoices in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) The term "natural" was not used on invoices to describe fur products which were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

(c) Required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 7. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that certain advertisements intended to aid, promote and assist, directly or indirectly, in the sale and offering for sale of such fur products were not in accordance with the provisions of Section 5(a) of the said Act.

Among and included in the aforementioned advertisements, but not limited thereto, were advertisements of respondents which appeared in issues of the Los Angeles Times, a newspaper published in the city of Los Angeles, State of California.

Among such false and deceptive advertisements, but not limited thereto were advertisements which failed to show that the fur contained in the fur product was bleached, dyed or otherwise artificially colored, when such was the fact.

PAR. 8. By means of the aforesaid advertisements and others of similar import and meaning not specifically referred to herein, respondents falsely and deceptively advertised fur products in violation of the Fur Products Labeling Act in that the said fur products were not advertised in accordance with the Rules and Regulations promulgated thereunder in that the term "natural" was not used to describe fur products which were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of the said Rules and Regulations.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged, are in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constitute unfair and deceptive acts and practices and unfair methods of competition in commerce under the Federal Trade Commission Act.

PAR. 10. Subsequent to the effective date of the Wool Products Labeling Act of 1939, respondents have introduced into commerce, sold, transported, distributed, delivered for shipment and offered for sale in commerce as "commerce" is defined in said Act, wool products as "wool product" is defined therein.

PAR. 11. Certain of said wool products were misbranded 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, were certain hats without labels on or affixed thereto disclosing 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) woolen fibers; (2) each fiber other than wool if said percentage by weight of such fiber is 5 per centum or more; and (3) the aggregate of all other fibers.

PAR. 12. 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 and deceptive acts and practices and unfair methods of competition in commerce, within the intent and meaning of the Federal Trade Commission Act.

#### DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, the Wool Products

Labeling Act of 1939 and the Fur Products Labeling Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

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

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Harry Camp Millinery Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of California, with its office and principal place of business located at 140 Geary Street, San Francisco, California.

Respondents Harry F. Camp, Jr., Meyer M. Camp and David L. Wilson 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 respondents Harry Camp Millinery Company, a corporation, and its officers, and Harry F. Camp, Jr., Meyer M. Camp and David L. Wilson, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from introducing into commerce, selling, advertising or offering for sale in commerce, or transporting or distributing any fur product, in commerce; or from selling, advertising, offering for sale, transporting or distributing, any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act:

A. Unless there is securely affixed to each such product a label showing in words and in figures plainly legible all of the

information required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

B. To which fur product is affixed a label required by Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder:

(1) Which fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term in lieu of the term "Dyed Lamb."

(2) Which fails to set forth the term "Natural" as part of the information required to be disclosed on labels under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, to describe fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

(3) Which fails to set forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder on labels in the sequence required by Rule 30 of the aforesaid Rules and Regulations.

*It is further ordered,* That respondents Harry Camp Millinery Company, a corporation, and its officers, and Harry F. Camp, Jr., Meyer M. Camp and David L. Wilson, 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 or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the sale, advertising, offering for sale, transportation, or distribution of any fur product which is 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:

A. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed in each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

2. Setting forth information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

3. Failing to set forth the term "Natural" as part of the information required to be disclosed on invoices under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

4. Failing to set forth on invoices the item number or mark assigned to fur products.

B. 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 any fur product, and which:

1. Fails to set forth in words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(a) of the Fur Products Labeling Act.

2. Fails to set forth the term "Natural" as part of the information required to be disclosed in advertisements under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

*It is further ordered,* That respondents Harry Camp Millinery Company, a corporation, and its officers, and Harry F. Camp, Jr., Meyer M. Camp and David L. Wilson, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from introducing into commerce, or offering for sale, selling, transporting, distributing or delivering for shipment in commerce, wool hats or other wool products as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939 unless each such wool hat or other wool product has securely affixed thereto or placed thereon a stamp, tag, label or other means of identification correctly 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.

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IN THE MATTER OF  
E. J. KORVETTE, INC.

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

*Docket C-1026. Complaint, Dec. 29, 1965—Decision, Dec. 29, 1965*

Consent order requiring a New York City chain department store to cease making deceptive pricing and savings claims for its merchandise.

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 E. J. Korvette, Inc., a corporation, hereinafter referred to as respondent, has 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 E. J. Korvette, 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 46th Street and the Avenue of the Americas, in the city of New York, State of New York.

PAR. 2. Respondent E. J. Korvette, Inc., owns, operates and controls, directly or through wholly owned and controlled subsidiary corporations, a chain of approximately thirty (30) department stores and other retail stores, located in approximately eight (8) States of the United States. Respondent E. J. Korvette, Inc., has been and is now engaged in the advertising, offering for sale, sale and distribution of furniture, carpeting and other articles of merchandise to the general public located in said States. Said department stores and all of the departments contained therein are advertised and represented to the general public as E. J. Korvette stores and departments.

Prior to August 16, 1965, H. L. Klion Inc., 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 397 East 54th Street, East Patterson, New Jersey, under a license agreement with the respondent E. J. Korvette, Inc., operated, directly or through wholly owned and subsidiary corporations, the furniture departments in said respondent's



department stores. On August 16, 1965, Korvette Home Furnishings Centers Inc., a wholly owned subsidiary of the respondent E. J. Korvette, Inc., by agreement acquired substantially all the assets and interests of H. L. Klion Inc., and its affiliated companies.

Prior to August 16, 1965, Federal Carpet Co. Inc., 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 245 Glen Cove Road, Carl Place, Long Island, New York, under a license agreement with the respondent E. J. Korvette Inc., operated, directly or through wholly owned subsidiary corporations, the carpet departments in the said respondent's department stores. On August 16, 1965, Korvette Home Furnishings Centers Inc., a wholly owned subsidiary of the respondent E. J. Korvette Inc., by agreement acquired all the stock of Federal Carpet Co. Inc., and its affiliated companies.

Since August 16, 1965, the respondent E. J. Korvette Inc., through its wholly owned subsidiary Korvette Home Furnishings Centers Inc., has operated the furniture and carpet departments formerly operated by said H. L. Klion Inc., and said Federal Carpet Co. Inc., respectively in the said respondent's department stores.

PAR. 3. In the course and conduct of its business, as aforesaid, respondent formulates, directs and controls the acts and practices of said department stores, including but not limited to the purchasing, pricing, advertising, personnel, accounting and financial activities of said department stores. In the course and conduct of its business, respondent causes advertising mats, checks, sales memoranda, policy directives, and other documents and communications to be transmitted, by the United States mails and by other interstate mechanisms, to and from respondent's said principal office and place of business to said department stores located in said other States of the United States.

In the further course and conduct of its business, respondent sells and distributes said merchandise in commerce by causing said merchandise to be shipped to and from its warehouses, located in the several States of the United States, and from the places of business of its various suppliers, located in the several States of the United States, to said department stores for purchase at retail by the general public, located in States other than the States from which such shipments originate.

All of the aforesaid acts and practices have been engaged in, in the course and conduct of respondent's business and all such acts and practices have a close and substantial relationship to the interstate flow of respondent's business. There is now, and has been, at

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all times mentioned herein, a substantial and continuous course of trade in said merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of its business, and for the purpose of inducing the sale of said merchandise it has been, and is now, respondent's policy to use in-store comparative pricing. Said in-store comparative pricing policy consists of the use of a tag or small sign which is affixed to or accompanies said merchandise at the point of sale to prospective purchasers at retail whereon a lower offering or selling price appears accompanied by a higher or comparative price representation such as, for example, "Comparable Value," "Was," "Regular," "Value" and "Mfg. List." Said lower and higher comparative price representations are established at said main offices of the respondent and are now, and have been, distributed by said main offices to said department stores through the use of written communications which are kept in a cumulative book by said department stores, designated a "MinMax" book, or by other forms of communication. Said comparative price representations are transferred from said "MinMax" books, or other communications, to said tags or signs by said department stores.

Among and typical of the statements and representations contained in respondent's newspaper advertisements announcing said comparative pricing policy, but not all inclusive thereof, are the following:

[photograph of a price tag containing the representation  
 "E. J. Korvette  
 MODEL NO.  
 57 pc. CHINA  
 DINNERWARE  
 SELLING PRICE  
 \$28.88  
 COMPARABLE VALUE  
 \$51.98"]

This is E. J. KORVETTE'S PRICE POLICY

This IS OUR PLEDGE \* \* \* to bring great, glorious Chicago the ultimate in Quality \* \* \* the best in Brand-Name Leadership \* \* \*

The most in depth Quantities \* \* \* the widest Diversifications in every department \* \* \* and this above all:

Prices Below all!

\* \* \* \* \*  
 This IS OUR PLAN \* \* \* OUR PREMISE AND OUR PROMISE \* \* \*  
 to bring Suburban Chicago what Korvette-history has proven the people want most: The best of everything \* \* \* Top Quality! Top Brand Names in depth

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assortment! All this generally at less than you ever thought imaginable.  
THIS IS KORVETTE'S PRICE POLICY \* \* \*.

PAR. 5. Among and typical of the statements and representations contained on said tags or signs used in the furniture, carpet, sporting goods, small appliance, and other departments of said department stores of the chain, but not all inclusive thereof, are the following:

(a) In the furniture department:

1. SPECIAL SALE

WAS

529.95

NOW \* \* \*

329.97

ITEM NUMBER

No.

9 Pc. D/Rm

350

DESCRIPTION

651-09—China 4-651-92 S/chair

651-17—Buffet 2-651-91 A/chair

651-52—Table

FLOOR SAMPLE—FINAL SALE \* \* \*

Other furniture identified below was tagged or labeled with the comparative price representation quoted below:

2. 2 Piece China (Co. H. Willet)

59-72 Base

59-726 Deck

WAS \$349.95

NOW \$224.97

3. 9 Piece Dining Room Set No. 345

Consisting of:

8005-50 Table

8010-62 China

8010-10 Buff

4-8005 S/C (Side Chairs)

2-8005 A/C (Arm Chair)

WAS \$659.95

NOW \$399.97

4. Loose Pillow Back Chair

Item No. 2011

Reduced price \$99.97

Regular price \$129.99

5. Sectional sofa

Item 6453

Reduced price \$499.97

Regular price \$544.99

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6. Loose Pillow Back Chair  
Was \$149.95  
Now \$89.97  
Item No. KL-52
7. Chair  
Was \$119.95  
Now \$64.97  
Item No. 529
8. Four-piece group price  
Was \$679.95  
Now \$479.97  
Item Nos. 1820 Chest  
1822 Triple dresser and mirror  
1820 Night table  
1821 Panel Bed

(b) In the carpet department, the carpeting identified below was tagged or labeled with the comparative price representations quoted below:

9. Brand—Mohawk  
Pattern—Princeton 16 Sandbark  
(All wool wilton)  
Selling Price \$12.99 sq. yd.  
\$16.99 VALUE
10. Brand—Mohawk  
Pattern—PL 14  
(All Acrylic face)  
Selling Price \$11.44 sq. yd.  
VALUE \$15.99 sq. yd.
11. Brand—Roxbury  
Pattern—14210  
Applique  
Acrilian  
Selling Price \$12.99 sq. yd.  
\$16.99 VALUE
12. Brand—Bigelow  
Pattern—Stratford House  
11524-07778  
100% Wool Face  
Mothproofed  
Selling Price \$13.99 sq. yd.  
(Less Mad Money \$1 sq. yd.)  
\$17.99 VALUE.

(c) In other departments of respondent's stores the merchandise identified below was tagged or labeled with the comparative price representations quoted below:

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13. Wilson K-28 Irons (8)  
Model D-3682  
Korvette LOW PRICE \$119.00  
MFG LIST \$154.00
14. Sunbeam Hair Dryer  
Model HD 10  
SELLING PRICE \$19.89  
LIST PRICE \$29.95
15. General Electric Four Slice Toaster  
Model T116  
Selling Price \$19.89  
Less Mad Money \$2.00  
List Price \$29.95
16. Smith Corona Portable Typewriter  
Model Galaxie  
MFG LIST \$122.10  
KORVETTE LOW PRICE \$91.66.

PAR. 6. Through the use of the aforesaid statements and representations and others similar thereto, but not specifically set forth, as used variously by respondent in effectuating said comparative pricing policy:

(a) Respondent E. J. Korvette, Inc., and its licensee, H. L. Klion, Inc., have represented, directly or indirectly, that said higher price amounts accompanied by the words "WAS" or "REGULAR" are the prices at which such articles of merchandise were sold or offered for sale in good faith for a reasonably substantial period of time in the recent regular course of its business;

(b) Respondent E. J. Korvette, Inc., and its licensee, Federal Carpet Co., Inc., have represented, directly or indirectly, that said higher price amounts accompanied by the word "VALUE" are not appreciably in excess of the highest price at which substantial sales of such merchandise have been made in the recent regular course of business in the trade area where such representations appeared;

(c) Respondent E. J. Korvette, Inc., has represented, directly or indirectly, that said higher price amounts accompanied by the phrase "MFG LIST" or "LIST PRICE" are not appreciably in excess of the highest price at which such merchandise has been regularly offered for sale in the recent regular course of business by a substantial number of the principal retail outlets in the trade area where such representations appeared;

(d) Respondent represents, directly or indirectly, that purchasers of said merchandise save an amount equal to the difference between said higher prices and the corresponding lower prices.

PAR. 7. In truth and in fact:

(a) The higher price amounts accompanied by the words "WAS" or "REGULAR" are not the prices at which such articles of merchandise were sold or offered for sale in good faith for a reasonably substantial period of time in the recent regular course of its business;

(b) The higher price amounts accompanied by the word "VALUE" are appreciably in excess of the highest price at which substantial sales of such merchandise have been made in the recent regular course of business in the trade area where such representations appeared;

(c) The higher price amounts accompanied by the phrase "MFG LIST" or "LIST PRICE" are appreciably in excess of the highest price at which such merchandise has been regularly offered for sale in the recent regular course of business by a substantial number of the principal retail outlets in the trade area where such representations appeared;

(d) Purchasers of said merchandise do not save an amount equal to the difference between said higher prices and the corresponding lower prices.

Said statements and representations were, therefore, false, misleading and deceptive.

PAR. 8. In the course and conduct of its business, and at all times mentioned herein, respondent has been in substantial competition in commerce, with corporations, firms and individuals engaged in the sale of merchandise of the same general kind and nature as sold by respondent.

PAR. 9. The use by the respondent of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that such statements and representations were and are true and into the purchase of substantial quantities of respondent's said merchandise by reason of said erroneous and mistaken belief.

PAR. 10. The aforesaid acts and practices of the respondent were and are all to the prejudice and injury of the public and of respondent's competitors and constituted, and now constitute, unfair methods of competition in commerce, and unfair and deceptive acts and practices in commerce, in violation of Section 5(a)(1) of the Federal Trade Commission Act.

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## DECISION AND ORDER

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

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent 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 respondent 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 respondent has violated the Federal Trade Commission Act, 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 E. J. Korvette, 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 46th Street and the Avenue of the Americas, in the city of New York, State of New York.

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

## ORDER

*It is ordered,* That respondent E. J. Korvette, Inc., a corporation, and its officers, agents, representatives and employees directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of furniture, carpeting, sporting goods, small appliances, typewriters or any other merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "WAS" or "REGULAR" or words of similar import to refer to any amount which is in excess of the price at which such merchandise has been sold or offered for sale

