

Complaint

76 F.T.C.

IN THE MATTER OF

FINGERHUT MANUFACTURING COMPANY, ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-1642. Complaint, Dec. 4, 1969—Decision, Dec. 4, 1969*

Consent order requiring a Minneapolis, Minn., distributor of miscellaneous merchandise to cease misrepresenting foreign made goods as domestic, making deceptive free offers, and shipping substitute articles without prior notice.

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 Fingerhut Manufacturing Company and Fingerhut Products Company, corporations, and Manny Fingerhut, Herman Schwartz, Stanley H. Nemer, and Meyer Nemer, individually and as officers of said corporations, 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. Respondents Fingerhut Manufacturing Company and Fingerhut Products Company, are corporations organized, existing and doing business under and by virtue of the laws of the State of Minnesota with their principal office and place of business located at 3104 West Lake Street, in the city of Minneapolis, State of Minnesota.

Respondents Manny Fingerhut, Herman Schwartz, Stanley H. Nemer and Meyer Nemer are individuals and are officers of the corporate respondents. They formulate, direct and control the acts and practices of the corporate respondents, including the acts and practices hereinafter set forth. Their address is the same as that of the corporate respondents.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of wearing apparel, tableware, dinnerware, tools and other merchandise to the public.

PAR 3. In the course and conduct of their business as aforesaid, 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 Minnesota to purchasers thereof located in various other States of the United States, 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. In the course and conduct of their aforesaid business and for the purpose of inducing the purchase of their said products, respondents have made, and are now making, numerous statements and representations in circulars, brochures, form letters and other promotional material disseminated through the United States Mails with respect to the origin, source, free trial offers, type and kind of their merchandise and to offers of free merchandise.

PAR. 5. By and through the use of the statements and representations and by depictions in their advertisements, the respondents have represented, and are now representing, directly or by implication, that:

1. All of the merchandise depicted and described as "All American Made" and "Made in U.S.A." was manufactured in the United States of America.

2. The merchandise being offered on a free trial basis may be simply and unconditionally returned to the respondents at the election of the purchaser within the free trial time.

3. The merchandise ordered in response to respondents' advertisements would in all respects conform to the merchandise depicted and described therein.

4. When certain featured merchandise was ordered by prospective purchasers, the respondents would send a free gift of other described and depicted merchandise.

PAR. 6. In truth and in fact:

1. The merchandise depicted, described and offered for sale by respondents as being manufactured in the United States of America in some instances consisted in whole or in part of pieces that were of a foreign origin.

2. The merchandise being offered on a free trial basis may not be simply and unconditionally returned to respondents within the free trial time. Only after receipt of the merchandise were purchasers notified and by a wholly inadequate disclosure that within the trial period they must systematically write and secure from the respondents special labels to facilitate the return of the merchandise.

3. In some instances respondents substituted other and different merchandise from that ordered by purchasers. In such cases the merchandise did not conform to the depiction and description of the respondents' advertisements in all respects, but was of a different pattern, design, style, manufacture, origin or source.

4. In some instances purchasers have not received the free bonus or gift of merchandise as represented.

Therefore, the statements and representations as set forth in Paragraph Five hereof were, and are, false, misleading and deceptive.

PAR. 7. In the course and conduct of their aforesaid business, and at all times mentioned herein respondents have been, and now are, in substantial competition, in commerce, with corporations, firms and individuals in the sale of wearing apparel, tableware, dinnerware, tools and other merchandise, of the same general kind and nature as that sold by the respondents.

PAR. 8. The use by respondents 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 said statements and representations were and are true and into the purchase of substantial quantities of respondents' merchandise by reason of said erroneous and mistaken belief.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' 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 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 above caption hereof, and the respondents 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 respondents with violation of the Federal Trade Commission Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents of all 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 respondents that the law had been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Act, and that complaint should issue stating its charges in that respect and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34 (b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters its orders:

1. Respondents Fingerhut Manufacturing Company and Fingerhut Products Company are corporations organized, existing and doing business under by virtue of the laws of the State of Minnesota, with their offices and principal place of business located at 3104 West Lake Street, Minneapolis, Minnesota.

Respondents Manny Fingerhut, Herman Schwartz, Stanley H. Nemer and Meyer Nemer are officers of said corporation and their principal offices and place of business are located at the above stated address.

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 Fingerhut Manufacturing Company and Fingerhut Products Company, corporations, and their respective officers, and Manny Fingerhut, Herman Schwartz, Stanley H. Nemer and Meyer Nemer, individually and as officers of said corporations, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of wearing apparel, tableware, dinnerware, tools or any

other products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the terms "All American Made" or "Made In U.S.A." or any other word, terms or phrases of similar import or meaning to describe or refer to products not made in the United States.

2. Misrepresenting, in any manner, the country of origin of any products offered for sale or sold by respondents.

3. Representing, directly or by implication, that merchandise is being offered on a free trial basis or a conditional trial basis, unless all conditions or obligations imposed for and the procedures or prerequisites necessary for the return of the merchandise on the represented basis are clearly and conspicuously disclosed at the time of and in immediate connection with such offer.

4. Delivering or shipping, without prior notice which affords the prospective purchaser the right of acceptance or rejection, substitute merchandise that is different in design, style, pattern, manufacture or source, or in any other manner, than the merchandise depicted or described in any advertisements, mailings, literature or other media that offer for sale or solicit the purchase or respondents' merchandise.

5. Representing, directly or by implication that prospective purchasers will receive a free bonus, gift or anything of value, upon ordering or purchasing other merchandise unless such gift or bonus is shipped free of any additional cost to each person qualifying therefor; and in any instance in which the customer informs respondents that such free gift has not been received, respondents make immediate delivery of the represented free gift or bonus.

It is further ordered, That the respondent corporations shall forthwith distribute a copy of this order to each of their operating divisions.

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 the order.

Order Withdrawing Complaint

IN THE MATTER OF

KNOLL ASSOCIATES, INC.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2 (a) OF
THE CLAYTON ACT*Docket 8549. Complaint, Dec. 27, 1962—Decision, Dec. 8, 1969*

Order withdrawing the complaint issued Dec. 27, 1962, 70 F.T.C. 311, which charged a New York City furniture company with discriminating in price in violation of Sec. 2(a) of the Clayton Act. This matter was settled by consent order Docket No. C-1643, p. 847 herein, order withdrawing proceeding from adjudication dated July 25, 1969, p. 1060 herein.

ORDER WITHDRAWING COMPLAINT

The Commission having accepted an agreement containing a consent order in Docket No. C-1643 [p. 847 herein] which provided that, upon acceptance of such agreement, the complaint against Knoll Associates, Inc., in Docket No. 8549, issued December 27, 1962 [70 F.T.C. 311], would be withdrawn. Accordingly,

It is ordered, That the complaint issued against Knoll Associates, Inc., on December 27, 1962, be, and it hereby is, withdrawn.

By the Commission, with Commissioner Elman not participating.

 IN THE MATTER OF

JENS RISOM DESIGN, INC., ET AL.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2 (a) OF
THE CLAYTON ACT*Docket 8740. Complaint, July 21, 1967—Decision, Dec. 8, 1969*

Order setting date of compliance of modified cease and desist order of March 20, 1968, 73 F.T.C. 120, 123.

ORDER SETTING DATE OF COMPLIANCE
WITH CEASE AND DESIST ORDER

By order dated March 20, 1968 [73 F.T.C. 123], the Commission ruled that its cease and desist order herein shall become final within the meaning of the Clayton Act, as amended, upon the dis-

Order Setting Date of Compliance

76 F.T.C.

position of the proceedings Docket No. 8549, *In the Matter of Knoll Associates, Inc.* [p. 835 herein]. On July 25, 1969 [p. 1060 herein], the Commission withdrew that matter from adjudication and authorized complaint counsel to enter into an agreement containing a consent order to cease and desist with Art Metal—Knoll Corp., the successor to Knoll Associates, Inc. That consent order appears in Docket No. C—1643 [p. 847 herein] which we issue today.

Since by the terms of aforesaid cease and desist order Art Metal-Knoll has until January 1, 1970, to be in compliance, and in the interest of treating all competitors fairly and equitably,

It is ordered, That respondents herein shall, within sixty (60) days after January 1, 1970, 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 issued on March 20, 1968.

IN THE MATTER OF

DIRECTIONAL CONTRACT FURNITURE CORP.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2(a) OF
THE CLAYTON ACT

Docket 8741. Complaint, July 21, 1967—Decision, Dec. 8, 1969

Order setting date of compliance of cease and desist order of February 23, 1968, 73 F.T.C. 436.

ORDER SETTING DATE OF COMPLIANCE
WITH CEASE AND DESIST ORDER

By order dated February 23, 1968 [73 F.T.C. 436], the Commission ruled that its cease and desist order herein shall become final within the meaning of the Clayton Act, as amended, upon the disposition of the proceedings in Docket No. 8549, *In the Matter of Knoll Associates, Inc.* [p. 835 herein]. On July 25, 1969 [p. 1060 herein], the Commission withdrew that matter from adjudication and authorized complaint counsel to enter into an agreement containing a consent order to cease and desist with Art Metal-Knoll Corp., the successor to Knoll Associates, Inc. That consent order appears in Docket No. C—1643 [p. 847 herein], which we issue today.

Since by the terms of aforesaid cease and desist order Art Metal-Knoll has until January 1, 1970, to be in compliance, and in the interest of treating all competitors fairly and equitably,

It is ordered, That respondent herein shall, within sixty (60) days after January 1, 1970, 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 issued on February 23, 1968.

IN THE MATTER OF

CHINCHILLA INTERNATIONAL BREEDERS ASSOCIATES,
ET AL.

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

Docket 8780. Complaint, Apr. 24, 1969—Decision, Dec. 8, 1969

Consent order requiring a Grants Pass, Oreg., seller of chinchilla breeding stock to cease making exaggerated earning claims, misrepresenting the quality of its stock, deceptively guaranteeing the fertility of its stock, misrepresenting its services to purchasers, and using a name which implies that it is a trade association.

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 Chinchilla International Breeders Associates, a partnership, and Theodore R. Wood and Theodore C. Wood, individually and as copartners trading and doing business as Chinchilla International Breeders Associates, 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 Chinchilla International Breeders Associates is a partnership comprised of the following named individuals who formulate, direct and control the acts and practices hereinafter set forth. The principal office and place of business of said partnership is located at 2300 Williams Highway, Grants Pass, Oregon, 97526.

Respondents Theodore R. Wood and Theodore C. Wood are in-

Complaint

76 F.T.C.

dividuals and copartners trading and doing business as Chinchilla International Breeders Associates with their principal office and place of business at the above-stated address.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of chinchilla breeding stock to the public.

PAR. 3. In the course and conduct of their aforesaid business, respondents now cause, and for some time last past have caused, their said chinchillas, when sold, to be shipped from their place of business in the State of Oregon to purchasers thereof located in various other States of the United States, 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. In the course and conduct of their aforesaid business, and for the purpose of obtaining the names of prospective purchasers and inducing the purchase of said chinchillas, respondents have made, and are now making numerous statements and representations in television broadcasts, direct mail advertising and through the oral statements and display of promotional material to prospective purchasers by their salesmen, with respect to the breeding of chinchillas in the home for profit without previous experience, the rate of reproduction of said animals, the expected income from the sale of their pelts, the quality of said animals, the training assistance made available to purchasers and the status of their organization.

Typical and illustrative of the statements and representations contained in said advertising and promotional material, but not all inclusive thereof, are the following:

The chinchilla industry offers spectacular opportunity to all investors.
* * *

Every day delayed represents tremendous loss in production and profit!

Using an average of two litters a year and two babies per female, a rancher could have 21 pair at the end of a three-year period, starting with one pair.

The Chinchilla International Breeders Associates (CIBA) was formed as a trade association for Chinchilla ranchers. The functions of CIBA include promoting the Chinchilla industry, conducting a registry, performing research and encouraging the improvement in the quality of chinchillas, and bringing together people interested in raising chinchillas.

ARE YOU

An employed person wanting a money-making sideline which will become a

837

Complaint

profitable, independent business at some future date without loss of present salaried income?

* * * * *

A handicapped or partially disabled person needing some light, interesting work with short hours and good income to enjoy complete independence?

* * * * *

Chinchillas are naturally hardy and do not require elaborate housing. A basement, spare bedroom built-in porch, garage or out building is satisfactory.

People Have Asked

* * * * *

Are Chinchillas susceptible to many diseases?

No. They are very hardy animals, contrary to uninformed popular belief. * * * They are practically disease free.

* * * * *

Is experience necessary to raise chinchillas?

No. Because CIBA's exceptional technical assistance and advice are always available to the rancher * * * no prerequisite other than a natural liking of animals and a sincere desire to succeed is necessary.

1 Male and 3 Females—\$2,400

CIBA Membership—\$50

1. Guaranteed production.
2. Exchange of herd sires.
3. Free instruction at CIBA Ranch.

YOUR INCOME OVER 5 YEARS

Year:	Extra males at \$25:	
2_____	4_____	\$100
3_____	10_____	250
4_____	24_____	600
5_____	252_____	6,300
		<u>7,250</u>

1. Guarantee animals to live.
2. Guarantee number to double 1st year.

PAR. 5. By and through the use of said statements and representations made by respondents in their advertising and promotional material, and others of similar import and meaning but not expressly set out herein, and in oral statements and representations made by their salesmen, respondents represent, and have represented, directly or by implication, that:

1. It is commercially feasible to breed and raise chinchillas from breeding stock purchased from respondents in homes, basements, garages, built-in porches, spare buildings and that large profits can be made in this manner.

2. The breeding of chinchillas from breeding stock purchased

from respondents as a commercially profitable enterprise requires no previous experience in the breeding, raising and caring for such animals.

3. Chinchillas are hardy animals, and are not susceptible to diseases.

4. Purchasers of respondents' breeding stock receive top quality chinchillas.

5. Each female chinchilla purchased from respondents and each female offspring will produce at least four live offspring per year.

6. The breeding stock of three females and one male chinchilla purchased from respondents will result in live offspring as follows: 12 the first year, 32 the second year, 84 the third year.

7. The pelts from the offspring of respondents' breeding stock sell for an average price of \$25 per pelt.

8. A purchaser starting with three females and one male of respondents' chinchilla breeding stock will have a gross income of \$6,300 from the sale of pelts in the fifth year.

9. There is a great demand for the offspring and for the pelts of the offspring of chinchilla breeding stock purchased from respondents.

10. The "Imperial Quality" standards of live chinchilla evaluation is an accepted standard in the chinchilla industry for determining the quality of chinchilla breeding stock.

11. The term "Imperial Quality" is a designation widely recognized throughout the chinchilla industry as denoting high quality chinchilla breeding stock.

12. Chinchilla breeding stock purchased from respondents is unconditionally guaranteed to live and to double their number the first year after purchase.

13. All pelts sold by CIBA and CIBA members are sold under or are nationally advertised under the "Aurora" trademark.

14. Through the assistance and advice furnished to purchasers of respondents' breeding stock by respondents, purchasers are able to successfully breed and raise chinchillas as a commercially profitable enterprise.

15. Through the use of the words "Chinchilla International Breeders Associates" separately and as a part of respondents' tradename, respondents: (a) have branches or ranches in countries other than the United States; (b) are associated with other individuals or firms engaged in the breeding and raising of chinchilla breeding stock.

16. Chinchilla International Breeders Associates is an association formed for the mutual aid and protection of purchasers of respondents' chinchilla breeding stock.

PAR. 6. In truth and in fact:

1. It is not commercially feasible to breed or raise chinchillas from breeding stock purchased from respondents in homes, basements, garages, built-in porches, spare buildings and large profits cannot be made in this manner. Such quarters or buildings, unless they have adequate space and the requisite temperature, humidity, ventilation and other necessary environmental conditions are not adaptable to or suitable for the breeding or raising of chinchillas on a commercial basis.

2. The breeding of chinchillas from breeding stock purchased from respondents as a commercially profitable enterprise requires specialized knowledge in the breeding, raising and care of said animals much of which must be acquired through actual experience.

3. Chinchillas are not hardy animals and are susceptible to pneumonia and other diseases.

4. Chinchilla breeding stock sold by respondents is not of top quality.

5. Each female chinchilla purchased from respondents and each female offspring will not produce at least four live offspring per year, but generally less than that number.

6. The initial chinchilla breeding stock of three females and one male purchased from respondents will not result in the number of offspring specified in subparagraph (6) of Paragraph Five above since these figures do not allow for factors which reduce chinchilla production such as those born dead or which die after birth, the culls which are unfit for reproduction, fur chewers and sterile animals.

7. A purchaser of respondents' chinchillas could not expect to receive an average price of \$25 for each pelt but substantially less than that amount.

8. A purchaser starting with three females and one male of respondents' breeding stock will not have a gross income of \$6,300 from the sale of pelts in the fifth year but substantially less than that amount.

9. There is not a great demand for the offspring nor for the pelts of the offspring of chinchilla breeding stock purchased from respondents.

10. The "Imperial Quality" standard of live chinchilla evaluation is not an accepted standard in the industry of determining the quality of chinchilla breeding stock.

11. The term "Imperial Quality" is not a designation widely recognized throughout the chinchilla industry as denoting high quality chinchilla breeding stock. Said term is unknown throughout most of the chinchilla industry.

12. Chinchilla breeding stock purchased from respondents is not unconditionally guaranteed to live and to double its number the first year after purchase. Said guarantee is subject to numerous terms, limitations and conditions.

13. All pelts sold by CIBA and CIBA members are not sold under or nationally advertised under the "Aurora" trademark. Few, if any, of the said pelts are sold or advertised under the "Aurora" trademark.

14. Purchasers of respondents' breeding stock are not able to successfully breed and raise chinchillas as a commercially profitable enterprise through the assistance and advice furnished them by respondents.

15. Chinchilla International Breeders Associates does not have branches or ranches in countries other than the United States nor is it associated with other individuals or firms engaged in the breeding and raising of chinchilla breeding stock.

16 Chinchilla International Breeders Associates is not an association formed for the mutual aid and protection of purchasers or respondents' chinchilla breeding stock but is a business formed for the purpose of selling respondents' chinchilla breeding stock for a profit.

Therefore, the statements and representations as set forth in Paragraphs Four and Five hereof were and are false, misleading and deceptive.

PAR. 7. In the course and conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of chinchilla breeding stock.

PAR. 8. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the tendency and capacity to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondents' chinchillas by reason of said erroneous and mistaken belief.

PAR. 9. The aforesaid acts and practices of the respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair methods in competition in commerce and unfair and deceptive acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having issued its complaint on April 24, 1969, charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents having been served with a copy of that complaint; and

The Commission having duly determined upon motion certified to the Commission that, in the circumstances presented, the public interest would be served by waiver here of the provision of Section 2.34 (d) of its Rules that the consent order procedure shall not be available after issuance of complaint; 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, 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 aforesaid agreement and having determined that it provides an adequate basis for appropriate disposition of this proceeding, the agreement is hereby accepted, the following jurisdictional findings are made, and the following order is entered:

1. Respondent Chinchilla International Breeders Associates is a partnership comprised of the following named individuals who formulate, direct and control the acts and practices hereinafter set forth. The principal office and place of business of said partnership is located at 2300 Williams Highway, Grants Pass, Oregon, 97526.

Respondents Theodore R. Wood and Theodore C. Wood formulate, direct and control the policies, acts and practices of the abovenamed enterprise.

2. The Federal Trade Commission has jurisdiction of the sub-

ject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondents Chinchilla International Breeders Associates, a partnership, and Theodore R. Wood and Theodore C. Wood, individually and as copartners trading and doing business as Chinchilla International Breeders Associates, or trading and doing business under any other name or names, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of chinchilla breeding stock or any other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Representing, directly or by implication, that:

1. It is commercially feasible to breed or raise chinchillas in homes, basements, garages or spare buildings, or other quarters or buildings unless in immediate conjunction therewith it is clearly and conspicuously disclosed that the represented quarters or buildings can only be adaptable to and suitable for the breeding and raising of chinchillas on a commercial basis if they have the requisite space, temperature, humidity, ventilation and other environmental conditions.

2. Breeding chinchillas as a commercially profitable enterprise can be achieved without previous knowledge or experience in the breeding, raising and care of such animals.

3. Chinchillas are hardy animals or are not susceptible to disease.

4. Purchasers of respondents' chinchilla breeding stock will receive top quality chinchillas.

5. Each female chinchilla purchased from respondents and each female offspring produce at least four live young per year.

6. The number of live offspring produced per female chinchilla in any number or range of numbers; or representing, in any manner, the past number or range of numbers of live offspring produced per female chinchilla

