

Complaint

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tured by said respondents as required by Section 6 of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

It is further ordered, That the respondent corporation forthwith distribute a copy of this order to each of its operation 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 this order.

IN THE MATTER OF

BESSIE FREED TRADING AS BOOK'S FURS ET AL.

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

Docket C-1437. Complaint, Oct. 14, 1968—Decision, Oct. 14, 1968

Consent order requiring a Scranton, Pa., retail furrier to cease misbranding falsely invoicing, and deceptively advertising its fur products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Bessie Freed, an individual trading as Book's Furs, and Margaret D. Kirias, individually and as manager of Book's Furs, 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 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 Bessie Freed is an individual trading as Book's Furs. Respondent Margaret D. Kirias is manager of Book's Furs. They control, direct and formulate the acts, practices and policies of Book's Furs.

Respondents are retailers of fur products with their office and principal place of business located at 428 Lackawanna Avenue, Scranton, Pennsylvania.

PAR. 2. Respondents are now, and for some time last past have been, 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 furs which have 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 falsely and deceptively labeled to show that fur contained therein was natural, when in fact such fur was pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. 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 any such fur product.

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

3. To show the name, or other identification issued and registered by the Commission, of one or more of the persons who manufactured any 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.

4. To show the country of origin of the imported furs contained in the fur products.

PAR. 5. 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:

- (a) 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.

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(b) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in handwriting on labels, in violation of Rule 29(b) of said Rules and Regulations.

(c) 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.

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

PAR. 6. 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 any such fur product.
2. To disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.

PAR. 7. 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 in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) The term "Persian Lamb" was not set forth on invoices in the manner required by law, in violation of Rule 8 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. 8. 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 aforesaid advertisements but not limited thereto, were advertisements of respondents which appeared in issues of the Scrantonian, a newspaper published in the city of Scranton, State of Pennsylvania, and having a wide circulation in Pennsylvania and in other States of the United States.

Among such false and deceptive advertisements, but not limited thereto, were advertisements which failed to show the true animal name of the fur used in any such fur product.

PAR. 9. 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 the following respects:

(a) The term "Persian Lamb" was not set forth in the manner required, in violation of Rule 8 of the said Rules and Regulations.

(b) The term "Dyed Broadtail-processed Lamb" was not set forth in the manner required, in violation of Rule 10 of the said Rules and Regulations.

(c) 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.

(d) All parts of the information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder were not set forth in type of equal size and conspicuousness and in close proximity with each other, in violation of Rule 38(a) of the aforesaid Rules and Regulations.

PAR. 10. 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 that certain of said fur products were falsely or deceptively identified with respect to the name or designation of the animal or animals that produced the fur from which the said fur products had been manufactured, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

Among such falsely and deceptively advertised fur products, but not limited thereto were fur products advertised as "Broadtail" thereby implying that the furs contained therein were entitled to the designation "Broadtail Lamb," when in truth and in fact, the furs contained therein were not entitled to such designation.

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PAR. 11. Respondents have removed and mutilated and have caused and participated in the removal and mutilation of, prior to the time fur products subject to the provisions of the Fur Product Labeling Act were sold and delivered to the ultimate consumer, labels required by the Fur Products Labeling Act to be affixed to such products, in violation of Section 3(d) of said Act.

PAR. 12. 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 methods of competition and unfair and deceptive acts and practices in commerce under 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 Fur Products Labeling Act; 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 respondents that the law has 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 Acts, 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 the following order:

1. Respondent Bessie Freed is an individual trading as Book's Furs. Respondent Margaret D. Kirias is manager of Book's Furs. Respondents' office and principal place of business is located at 428 Lackawanna Avenue, Scranton, Pennsylvania.

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 Bessie Freed, individually and trading as Book's Furs, or under any other name, and Margaret D. Kirias, individually and as manager of Book's Furs, 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 in commerce any fur product; 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:

1. Which has affixed to any such product a label which represents directly or by implication that the fur contained in such fur product is natural when the fur contained therein is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

2. 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.

3. 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:

(a) Which fails to set forth the term "natural" as part of the information required to be included on such label to describe any such product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

(b) Which sets forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting.

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

- (d) Which fails to set forth the item number or mark assigned to each such fur product.

It is further ordered, That respondents Bessie Freed, individually and trading as Book's Furs or under any other name, and Margaret D. Kirias, individually and as manager of Book's Furs, 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 the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, 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 by 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 "Persian Lamb" in the manner required where an election is made to use that term instead of the word "Lamb."

4. Failing to set forth on an invoice the item number or mark assigned to such fur product.

B. Falsely or deceptively advertising any fur product 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 such 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. Falsely or deceptively identifies any fur product as to the name or designation of the animal or animals

that produced the fur contained in the fur product.

3. Fails to set forth the term "Persian Lamb" in the manner required where an election is made to use that term instead of the word "Lamb."

4. Fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term instead of the words "Dyed Lamb."

5. 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 a fur product which is not pointed, bleached, dyed, tipped or otherwise artificially colored.

6. Fails to set forth all parts of the information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in type of equal size and conspicuousness and in close proximity with each other.

It is further ordered, That respondents Bessie Freed, individually and trading as Book's Furs or under any other name, and Margaret D. Kirias, individually and as manager of Book's Furs, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist, except as provided in Section 3(e) of the Fur Products Labeling Act, from removing or mutilating, or causing or participating in the removal or mutilation of, prior to the time any fur product subject to the provisions of the Fur Products Labeling Act is sold and delivered to the ultimate consumer, any label required by the said Act to be affixed to such fur product without substituting therefor a label conforming to Section 4(2) of said Act.

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

FRIEDMAN'S-GEORGIA, INC.,** TRADING AS
A. A. FRIEDMAN COMPANY, ETC.ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket 8744. Complaint, Sept. 13, 1967—Decision, Oct. 17, 1968*

Order requiring a 30-store retail jewelry chain headquartered in Augusta, Ga., to cease using bait advertising, making misleading "Pay \$1 Weekly" claims, using false guarantee offers, misrepresenting that its house brand merchandise is nationally advertised, and using documents which simulate federal government forms.

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 Friedman's-Georgia, Inc., a corporation, trading and doing business as A. A. Friedman Company and Friedman's Jewelers, and Abraham A. Friedman, individually and as an officer of said corporation, 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 Friedman's-Georgia, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia with its principal office and place of business located at 309 8th Street, Augusta, Georgia.

Respondent Abraham A. Friedman is an officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of diamonds, watches, jewelry, household appliances and other articles of general merchandise to the public.

In connection therewith, respondents own, operate and control twenty-five corporations, which operate thirty retail stores located

* Reported as amended by Hearing Examiner's order of Nov. 15, 1967, by striking subparagraphs numbered three (3) of paragraphs eight, nine and ten.

** The corporate name was later changed to A. A. Friedman Co., Inc. (CX 107-A).

in the States of North Carolina, South Carolina, Georgia and Florida. All of the stock of the said twenty-five corporations is owned by the corporate respondent. The individual respondent is president of the corporate respondent as well as of each of the twenty-five subsidiary corporations. All of the stock of the corporate respondent is either owned or controlled by the individual respondent.

In the course of doing business, the corporate respondent makes purchases at wholesale or merchandise to be sold at retail in the thirty stores previously mentioned. The said merchandise is stored in a warehouse in Augusta, Georgia. When merchandise is required by any of the subsidiary corporations, an order is placed by it with the corporate respondent, which then ships the merchandise to the subsidiary corporation, billing the latter for the cost to the corporate respondent plus a small handling charge, which amount is then remitted to the corporate respondent. All of the advertising is prepared by the corporate respondent, sent to the subsidiary corporations and by them placed for publication in the appropriate local media. The bills for this advertising are sent to the corporate respondent and paid by it. Hiring and discharging of all personnel is performed by the corporate respondent. All bookkeeping and accounting records are maintained in the office of the corporate respondent.

In the course of doing business, the corporate respondent uses the trade name of A. A. Friedman Company in making purchases of merchandise for sale and for other purposes. Each of the individual stores is operated under the trade name of "Friedman's Jewelers."

The individual respondent, through control of the corporate respondent, formulates, directs and controls the acts and practices of each of the subsidiary corporations in conjunction with the corporate respondent. Said subsidiary corporations are simply corporate agencies used by respondents in carrying on the business herein described.

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 merchandise, advertising material, supplies, equipment and business papers to be shipped to and from their warehouse or place of business in the State of Georgia, as aforesaid, to retail stores located in the four States previously mentioned and, at said locations, the said merchandise is sold to the public. In the course and conduct of said business, respondents maintain, and at all times mentioned herein have maintained, a

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substantial 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 their business, at all times mentioned herein, respondents have been in substantial competition in commerce with corporations, firms and individuals engaged in the advertising, offering for sale, sale or distribution of merchandise of the same general kind and nature as that sold by respondents.

PAR. 5. In the course and conduct of their business, as aforesaid, respondents caused to be prepared and mailed to numerous persons in the State of Georgia and various States other than the State of Georgia, advertising material which consists, among other things, of a credit voucher in the sum of \$2 which could be used in the purchase of any merchandise in the stores operated by the corporate respondent. This credit voucher was printed in such a way as to have the appearance of a check issued by the United States Government, although it was only a credit voucher for credit on a purchase of merchandise in one of the respondents' retail stores. This credit voucher was enclosed in a window envelope in such a way that only the name and address of the person to whom it was addressed and the color of the paper on which the credit voucher was printed was visible before the envelope was opened. The envelope was of the size and had the appearance of the window envelopes used by the United States Government for the transmittal of Government checks. It was imprinted in a manner similar to envelopes used by the United States Government and included the following words as a return address:

OFFICE OF THE TREASURER
Accounting Division
P.O. Box 34
Augusta, Georgia. 30902

PAR. 6. Through the use, jointly and severally, of the words and terms set forth in Paragraph Five and the format and appearance of the envelope and the credit voucher, respondents represent and imply to those to whom the said credit vouchers are mailed, that the contents of the envelope is a check sent by a government agency and so cause the recipient to open the envelope and read the contents, which he might not otherwise have done.

PAR. 7. In truth and in fact, the content of the envelope is not a check or other document from a government agency but, on the contrary, the envelope contains a credit voucher and advertising

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material announcing a special sale at one of the respondents' stores.

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

PAR. 8.* In the course and conduct of their aforesaid business, and for the purpose of inducing the sale of their said products, respondents have made certain statements in advertisements inserted in newspapers and in brochures or flyers with respect to prices, classification, savings and guarantees of their product.

Typical and illustrative of such statements and representations, but not all inclusive thereof, are the following:

1. Nationally advertised 17 jewel men's and ladies' watches. * * * Why buy a no jewel watch when you can * * *

Choose from
Caravella by Bulova
Elgin Holland
Justin Waltham.
Choose from many famous name watches
Gruen Hamilton Elgin Holland

Bulova Elgin Holland
Plus many more famous name 17-jewel precision watches.
Many other famous name watches slashed during this great sale
Hamilton Gruen Elgin Holland.

2. Discount prices and credit too!

Realtone miniature portable tape recorder
\$19.87 Pay \$1 weekly

* * * * *

4. To the watch identified as "Lord Lancaster B" was attached a ticket similar in appearance to that used by manufacturers showing a price of \$139.95. This identical watch was advertised at a selling price of \$88.88.

5. * * * 30 day money back guarantee

All watches carry double guarantee from Friedman's and the manufacturer.

6. Friedman's * * * 70 stores where your dollar buys more.

7. Hamilton, Elgin, Gruen, Holland * * * Your choice \$54.88.

Men's six diamond Hamilton Ladies' twenty diamond Elgin * * * Your choice \$88.88.

PAR. 9.* By and through the use of the aforesaid statements and representations, and others of similar import and meaning, but not specifically set forth herein, respondents represent, and have represented, directly or by implication:

1. That respondents' "house brand" watches, such as "Holland," "Justin" and "Jacques Prevard" are "nationally advertised,"

* Reported as amended by Hearing Examiner's order of Nov. 15, 1967, by striking subparagraph numbered three (3).

"name brand" or "famous name" watches.

2. That the total purchase price of respondents' merchandise is as set forth in the advertisements and may be paid at the rate per week as specified.

4. That said ticketed price of \$139.95 was the manufacturer's suggested list price for the Hamilton "Lord Lancaster B" watch, that said amount was the price regularly charged by principal outlets in the trade area where the representation was made and that the advertised price of \$88.88 afforded a savings to the purchaser equal to the difference between said ticketed price and the advertised price.

5. That Friedman watches carry an unconditional thirty-day money back guarantee and a double guarantee which will be honored both by the manufacturer and the respondents.

6. That respondents have an organization consisting of seventy retail stores.

7. That respondents were making a bona fide offer to sell said Hamilton watches, and other articles of merchandise not specified herein, at the prices and on the terms and conditions stated in the advertising.

PAR. 10.* In truth and in fact:

1. Respondents' "house brand" watches, such as "Holland, "Justin" and "Jacques Prevard" are not "nationally advertised," "famous name," or "name brand" watches.

2. The purchase price as advertised is not the total purchase price when paid for at the specified weekly payment but, on the contrary, interest, handling and other charges are added to the advertised purchase price.

4. Said ticketed price of \$139.95 was not the manufacturer's suggested list price for the Hamilton "Lord Lancaster B" watch, said amount was not the price regularly charged by principal outlets in the trade area where the representation was made and the advertised price of \$88.88 did not afford savings to the purchaser equal to the difference between said ticketed price and the advertised price. The manufacturer's suggested list price was substantially less than said ticketed amount.

5. Respondents' watches do not carry an unconditional thirty-day money back guarantee and a double guarantee which will be honored both by the manufacturer and the respondents. In fact, the respondents' guarantee will only be honored by the particular store in which the watch was purchased. The respondents also

* Reported as amended by Hearing Examiner's order of Nov. 15, 1967, by striking subparagraph numbered three (3).

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fail to set forth the other terms, conditions and limitations applicable to their guarantees and the extent to which the guarantees apply and the manner in which the guarantor will perform thereunder.

6. Respondents are not an organization consisting of seventy stores, but, on the contrary, the respondents operate substantially less than the number of stores advertised.

7. Respondents were not making a bona fide offer to sell the Hamilton watches, and other advertised articles of merchandise not specified herein, at the price and on the terms and conditions stated in the advertisements but, on the contrary, the offer was made for the purpose of inducing the public to come to respondents' store in the expectation of purchasing the Hamilton watches, and other advertised merchandise not specified herein, at the advertised price and on the terms and conditions stated. Respondents, however, either maintained no stock of said Hamilton watches, and other advertised articles of merchandise not specified herein, or a supply insufficient to meet the ordinarily expected requests to purchase the Hamilton watches, and other advertised articles of merchandise not specified herein. At such time and under such circumstances, respondents then undertake to sell other and different merchandise to such purchasers.

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

PAR. 11. 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. 12. 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.

Mr. Roy B. Pope and *Mr. J. Michael Frascati* supporting the complaint.

Mr. Jonathan Golden, Arnall, Golden and Gregory, Atlanta, Georgia, for respondents.

