

IN THE MATTER OF
COTY, INC. AND COTY PRODUCTS CORPORATION ET AL.
COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 3325. Complaint, Mar. 23, 1938¹—Decision, Oct. 12, 1939

Where a corporation engaged in packaging, labeling, bottling, offering, and selling perfumes which it purchased of its wholly owned subsidiary, and which were blended, compounded, and sold in accordance with the exact formulae originated in Paris, France, by the late M. Francois Coty of Paris, France, and said subsidiary, engaged in blending and compounding such products in the United States, from ingredients imported from France and other countries, with domestic alcohol to make completed perfume, and in selling its said products, thus made, to said parent corporation and to other purchasers, and in active and substantial competition with others engaged in sale and distribution of perfumes in commerce among the various States and in the District of Columbia, and including among their competitors domestic makers and distributors of perfumes who make, blend, and compound their products in the United States, and domestic competitors who do not in any way represent that their products are made, blended and compounded in any foreign country and then imported—

- (a) Made such representations to promote sale of their products, through labels attached and affixed to cartons or containers thereof and through folders, price lists, and advertisements in newspapers and periodicals of general circulation, as "Coty—Paris—France," "Composé par Coty, Paris, France," and "Coty—bottled in U. S. A.—France"; and
- (b) Caused to appear on cartons in which some of their said perfumes were packed and sold words "Cette specialite & ses Accessoires ont ete crees par Coty dans ses Usines de La Cite des Parfums a Suresnes pres Paris (France)," followed by further statement, in French, to the effect that products in question were exclusively those of Coty, Inc., for the United States, and words "ou ils sont fabriques," meaning of which, not supplied in English, was "where they are manufactured"; and

Where various subsidiaries of said corporation first referred to, through which its products aforesaid were distributed prior to said subsidiaries' dissolution—

- (c) Caused their business stationery to bear, in addition to address of particular subsidiary, address "Parfums de Luxe, 25 Place Vendome, Paris";

With tendency and capacity to mislead and deceive substantial portion of purchasing public into erroneous and mistaken belief that their said products were made or compounded in France and imported into the United States, such as long widely popular and in demand among the trade and consuming public throughout the United States, and considered by many thereof as superior to perfumes made or compounded in the United States, and purchased by many of the consuming public in preference to latter, and into purchase

¹ Amended and supplemental.

of their said perfumes because of erroneous and mistaken belief induced as above set forth, and with result of thereby diverting trade unfairly to them from their competitors who do not in any way represent that their products are made, blended, and compounded in any foreign country and then imported into the United States, when in fact made or compounded therein: *Held*, That such acts and practices, under the circumstances set forth, were all to the prejudice of the public and competitors, and constituted unfair methods of competition.

Before *Mr. Edward E. Reardon*, trial examiner.

Mr. S. Brogdyne Tew, II for the Commission.

Mr. Percy A. Shay of Coudert Brothers and *Mr. Lewis G. Bernstein*, of New York City, for respondents.

AMENDED AND SUPPLEMENTAL COMPLAINT

Whereas, pursuant to the provisions of an act of Congress, approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," the Federal Trade Commission, heretofore on the 5th day of February 1938, issued its complaint charging Coty, Inc., Coty Products Corporation, Coty Processing Co., Inc., Coty, Inc., New York, Coty Co., Ltd. of Maryland, Coty Co., Ltd. of Tennessee, Coty California Corporation, and Coty New Jersey Corporation, with certain unfair methods of competition in commerce as "commerce" is defined in said act; and it now appearing to the Commission that Coty Sales Corporation has been created under the laws of the State of Delaware and has taken over the functions of some of the above-named corporations:

Now therefore, Pursuant to the provisions of the aforesaid act the Commission having reason to believe that Coty, Inc., Coty Products Corporation, Coty Processing Co., Inc., Coty, Inc., New York, Coty Co., Ltd. of Maryland, Coty Co., Ltd. of Tennessee, Coty California Corporation, Coty New Jersey Corporation, and the Coty Sales Corporation, hereinafter referred to as respondents, have been and are using unfair methods of competition in commerce, as "commerce" is defined in said act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues this its amended and supplemental complaint stating its charges in that respect as follows:

PARAGRAPH 1. Coty, Inc., is a holding company organized under the laws of the State of Delaware, with its principal office in Wilmington, Del.

Coty Products Corporation, a subsidiary of Coty, Inc., is a New York corporation, with its principal place of business at 423 West

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Fifty-fifth Street, New York City, N. Y. Coty Processing Co., Inc., a subsidiary of Coty, Inc., is a New York corporation, organized under the laws of the State of New York, with its principal office and place of business at 423 West Fifty-fifth Street, New York City, N. Y. Coty, Inc., of New York, a subsidiary of Coty, Inc., is a corporation organized under the laws of the State of New York, with its principal office and place of business at 714 Fifth Avenue, New York City. Coty Co., Ltd., a subsidiary of Coty, Inc., is a corporation organized under the laws of the State of Maryland, with its principal place of business at 25 East Lake Street, Chicago, Ill. Coty Co., Ltd., a subsidiary of Coty, Inc., is a corporation organized under the laws of the State of Tennessee, with its principal place of business at 99 South Second Street, Memphis, Tenn. Coty California Corporation, a subsidiary of Coty, Inc., is a corporation organized under the laws of the State of California, with its principal place of business at 833 Market Street, San Francisco, Calif. Coty New Jersey Corporation, a subsidiary of Coty, Inc., is a corporation organized under the laws of the State of New Jersey, with its principal office and place of business at 46 Clinton Street, Newark, N. J. Coty Sales Corporation, a subsidiary of Coty, Inc., is a corporation organized under the laws of the State of Delaware, with its office and principal place of business at 714 Fifth Avenue, New York City, N. Y.

Respondent, Coty, Inc., is a principal stockholder in and formulates, controls, and dominates the practices and policies of the other respondents. Said respondents have acted together and in cooperation with each other in carrying out the acts and practices and methods hereinafter alleged.

PAR. 2. Respondents are engaged in the business of manufacturing and compounding perfumes, and the sale and distribution of said perfumes in commerce as herein described. In the course of their business, when orders are received for their perfume products, respondents ship said products from their aforesaid places of business in the State of New York, or from some other place of business in the States of New York, Illinois, Tennessee, California, and New Jersey, to the purchasers thereof at their respective places of business in States of the United States other than the State of New York, or other than the State in which said respective shipments originated. Respondents maintain, and at all times mentioned herein have maintained, a course of trade in commerce in said perfumes sold and distributed by them between and among the various States of the United States and in the District of Columbia.

In the course and conduct of their said business, respondents are in active and substantial competition with other corporations, and

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with partnerships and individuals engaged in the sale and distribution of perfumes in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 3. Respondents, in the course and conduct of their business and for the purpose of inducing the purchase of their products on the part of the purchasing public, cause certain labels to be attached and affixed to the containers of their said perfumes. These labels contain such statements as

Coty—Paris—France
Composé par Coty, Paris—France.
Coty—Bottled in U. S. A.—France

With certain of their perfumes, respondents cause to appear, on their advertisement card written in French, the following statement:

Cette Spécialité & ses Accessoires ont été créés
par Coty dans ses Usines de La Cite des Par-
fums A Suresnes pres Paris (France).

The translation of the foregoing statement is, "This specialty and its accessories were created by Coty in its factories in the City of Perfumes at Suresnes near Paris (France)." The translation does not appear on said statement. In the succeeding paragraph of said card, it is stated, in French, that said products are exclusively the property of Coty, Inc. for the United States of America, "ou ils sont fabriques," (where they are manufactured).

The subsidiary corporations which are respondents herein, also cause their business stationery to bear the following address:

Parfumes de Luxe 23 Place Vendome Paris

PAR. 4. The aforesaid statements, together with others similar thereto not set out herein, serve as representations on the part of respondents to members of the purchasing public that said perfumes, so described and labeled, are made and compounded in France and imported from that country into the United States.

PAR. 5. In truth and in fact the perfumes so labeled, described, represented, and referred to are not compounded or manufactured in France, or any other foreign country, but were, and all are, compounded and bottled in the United States of America.

PAR. 6. Perfumes manufactured in France have, for many years, enjoyed widespread popularity and demand among the trade and the consuming public throughout the United States, many of whom believe and consider that perfumes manufactured in France are superior in quality and other desirable characteristics to perfumes manufactured in the United States. Many of the consuming public throughout the United States purchase perfumes manufactured in France and

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imported to the United States in preference to perfumes manufactured and compounded in the United States.

PAR. 7. There are, among the competitors of the respondents, manufacturers and distributors of like and similar products who truthfully advertise and represent the nature and merit and origin of their respective products, and who refrain from advertising or representing that the merchandise offered for sale by them has a value, merit, or origin that it does not have.

PAR. 8. The use by the respondents of the aforesaid labeling and advertising, designating and describing their perfumes as set out hereinabove, has the capacity and tendency to and does mislead, confuse, and deceive their vendees and many of the consuming public into the mistaken and erroneous belief that said perfumes are manufactured and produced in France and imported into the United States, and into the purchase of said products as a result of such belief. Further, the acts and practices of respondents, as herein detailed, serve to place in the hands of unscrupulous or uninformed retail dealers a means and instrumentality whereby said dealers may mislead members of the purchasing public into the erroneous belief that said perfumes were, and are, manufactured and compounded in France, and into the purchase of respondents' products as a result of this belief.

As a result thereof, trade has been, and is, unfairly diverted to respondents, and those dealers who handle their products, from competitors who do not misrepresent the nature, quality, or origin of their respective competitive products. Thereby a substantial injury has been, and is, done to competition in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 9. The aforementioned methods, acts, and practices of respondents are all to the prejudice of the public and of respondents' competitors as hereinabove alleged. Such methods, acts, and practices constitute unfair methods of competition in commerce within the intent and meaning of section 5 of an act of Congress entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on March 23, 1938, issued, and thereafter served its amended and supplemental complaint in this proceeding upon respondents Coty, Inc.; Coty Products Corporation; Coty Processing Co., Inc.; Coty, Inc. of New York; Coty Co., Ltd., a Maryland corporation; Coty Co., Ltd., a Tennessee corporation; Coty California Corporation; Coty New Jersey Corporation; and Coty

Sales Corporation, charging them with the use of unfair methods of competition in commerce in violation of the provisions of said act. After the issuance of said complaint and the filing of respondents', Coty, Inc., Coty Products Corporation, Coty Processing Co., Inc., and Coty Sales Corporation, answer thereto (respondents Coty, Inc. of New York, Coty Co., Ltd., a Maryland corporation, Coty Co., Ltd., a Tennessee corporation, Coty California Corporation, and Coty New Jersey Corporation having filed no answer), evidence in support of the allegations of said amended and supplemental complaint was introduced by S. Brogdyne Teu, II, attorney for the Commission, and in opposition to the allegations of said amended and supplemental complaint by P. A. Shay of Coudert Brothers and L. G. Bernstein, attorneys for the respondents, before Edward E. Reardon, an examiner of the Commission, theretofore duly designated by it, and said evidence was duly recorded and filed in the office of the Commission. Thereafter, this proceeding regularly came on for final hearing before the Commission on the said amended and supplemental complaint, the answer thereto, evidence and briefs in support of the allegations of the said amended and supplemental complaint and in opposition thereto, and the oral arguments of counsel aforesaid, and the Commission having duly considered the matter and being now fully advised in the premises, finds that this proceeding is in the interest of the public and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Coty Processing Co., Inc., was a wholly owned subsidiary of Coty, Inc. It was a New York corporation organized and doing business under the laws of the State of New York. It had its principal office and place of business at 423 West Fifty-fifth Street, New York, N. Y.

PAR. 2. Coty, Inc., of New York, was a wholly owned subsidiary of Coty, Inc. It was a corporation organized under the laws of the State of New York, with its principal office and place of business located at 714 Fifth Avenue, New York, N. Y.

PAR. 3. Coty Co., Ltd., was a wholly owned subsidiary of Coty, Inc.; it was a corporation organized under the laws of the State of Maryland and had its principal place of business at 25 East Lake Street, Chicago, Ill.

PAR. 4. Coty Co., Ltd., was a wholly owned subsidiary of Coty, Inc. It was a corporation organized under the laws of the State of Tennessee. It had its principal place of business at 99 South Second Street, Memphis, Tenn.

PAR. 5. Coty California Corporation was a wholly owned subsidiary of Coty, Inc. It was a corporation organized under the laws of the State of California, with its principal place of business at 833 Market Street, San Francisco, Calif.

PAR. 6. Coty New Jersey Corporation was a wholly owned subsidiary of Coty, Inc., and was a corporation organized under the laws of the State of New Jersey, with its principal place of business at 46 Clinton Street, Newark, N. J.

PAR. 7. Coty Sales Corporation was a wholly owned subsidiary of Coty, Inc., and was a corporation organized under the laws of the State of Delaware, with its principal place of business located at 714 Fifth Avenue, New York, N. Y.

PAR. 8. All of the corporations named in paragraphs 1 to 7, supra, and wholly owned subsidiaries of Coty, Inc., were dissolved subsequent to the issuance and service of the Commission's amended and supplemental complaint and their functions taken over completely by respondent Coty Sales Corporation, and subsequently taken over by respondent Coty, Inc., a Delaware corporation, and their functions are now being performed by Coty, Inc.

PAR. 9. Coty Products Corporation is a wholly owned subsidiary of Coty, Inc. It is a New York corporation located at 423 West Fifty-fifth Street, New York. It is engaged in the blending and compounding of products hereinafter referred to. It sold to respondent, Coty Processing Co., Inc., until that corporation was dissolved, and it now sells to Coty, Inc., and other purchasers outside the Coty group.

PAR. 10. Coty, Inc., was a holding company solely at the time of issuance of the amended and supplemental complaint, organized under the laws of the State of Delaware, with its principal office in Wilmington, Del. Subsequent to issuance of the amended and supplemental complaint and subsequent to the dissolution of the corporations above referred to, it was qualified to do business in the State of New York, although its principal office is still in Wilmington, Del. This corporation, in addition to being a holding company, now engages and subsequent to the issuance of the amended and supplemental complaint did engage, in the business of packaging, labeling, and bottling, and offering for sale and selling perfumes.

PAR. 11. The respondents acted and cooperated together to the extent that Coty Products Corporation supplied bulk products to Coty Processing Co., Inc., which in turn packaged said products, affixed labels thereto and thereafter sold said products to Coty, Inc., of New York; Coty Co., Ltd., Maryland corporation; Coty Sales

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Corporation, Coty Co., Ltd., Tennessee corporation; Coty, California corporation; and Coty, New Jersey corporation as hereinbefore and hereinafter stated.

PAR. 12. Respondent, Coty Products Corporation, was and now is engaged in the business of blending and compounding perfumes. Coty Processing Co.; Coty Co., Ltd., Maryland corporation; Coty, Inc. of New York; Coty Co., Ltd., Tennessee corporation; Coty, New Jersey corporation; Coty, California corporation; and Coty Sales Corporation were engaged in the business of selling the perfumes so blended and compounded in commerce as hereinafter set forth.

PAR. 13. In carrying on business when orders were received for perfume products, respondent Coty Processing Co., Inc., shipped its products from its place of business in the State of New York to the places of business of respondents, Coty Co., Ltd., Maryland corporation; Coty Co., Ltd., Tennessee corporation; Coty, New Jersey corporation; Coty Inc. of New York; Coty, California, and Coty Sales Corporation.

PAR. 14. Respondent Coty, Inc. of New York, in the conduct of its business, purchased said products from Coty Processing Co., Inc., which products were shipped by Coty Processing Co., Inc., from New York to Coty, Inc., of New York, in New York, and Coty, Inc., of New York, sold said perfume products to its customers wholly within the State of New York. The said products were also shipped by Coty Processing Company, Inc., from New York to Coty, New Jersey corporation in New Jersey. The Coty, New Jersey corporation, sold and shipped said products to its customers located wholly within the State of New Jersey. Respondent Coty, California corporation, in the conduct of its business purchased said products from Coty Processing Co., Inc., in New York, and sold and shipped these products to its customers throughout several States of the United States located on or adjacent to the Pacific coast; the respondent Coty Co., Ltd., a Tennessee corporation, in the conduct of its business purchased the said products from Coty Processing Co., Inc., in New York and sold and shipped these products to its customers in the State of Tennessee and in several other states in the southern part of the United States; Coty Co., Ltd., a Maryland corporation, in the conduct of its business purchased said products from Coty Processing Co., Inc., in New York and sold and shipped these products to its customers from one of its places of business in the State of Illinois in which State it was qualified to do business and to customers located in other States of the United States in the midwest part of the

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United States; Coty Sales Corporation, from the period November 1, 1937, to June 30, 1938, sold and shipped said products to its customers located throughout the United States.

PAR. 15. From November 1, 1937, which was prior to the issuance and service of the amended and supplemental complaint, and subsequent to the issuance and service of the amended and supplemental complaint, and up to June 30, 1938, Coty Sales Corporation received orders from its customers in all the States of the United States and the District of Columbia and sold and shipped said products to its customers in the various States of the United States and in the District of Columbia.

PAR. 16. Respondent Coty, Inc., a Delaware corporation, subsequent to the issuance and service of the amended and supplemental complaint, namely, from the first day of July 1938, in the conduct of its business, performed and now performs the functions of Coty Processing Co., Inc.; Coty Co., Ltd., a Maryland corporation; Coty Co., Ltd., a Tennessee corporation; Coty, New Jersey corporation; Coty, California corporation; Coty, Inc. of New York; and Coty Sales Corporation.

PAR. 17. Respondents Coty Processing Co., Inc.; Coty, Inc. of New York; Coty Co., Ltd., a Maryland corporation; Coty Co., Ltd., a Tennessee corporation; Coty, California corporation; Coty, New Jersey corporation; and Coty Sales Corporation maintained, and Coty, Inc., and Coty Products Corporation maintained and still maintain a course of trade in said products sold and distributed by them in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 18. Respondents were and are in active and substantial competition with other corporations and with partnerships and individuals engaged in the sale and distribution of perfumes in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 19. In the course and conduct of their business and for the purpose of promoting the sale of their products, respondents, by means of labels attached and affixed to the cartons or containers in which their products are packed and sold, and by means of folders, price lists, and advertisements inserted in newspapers and magazines having a general circulation among and between the States of the United States and in the District of Columbia, made certain representations, among which are the following appearing on the labels attached and affixed to the cartons or containers in which their

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products are sold and distributed, of which the following are representative:

Coty—Paris—France
Composé par Coty, Paris, France
Coty—bottled in U. S. A.—France

PAR. 20. The respondents have caused to appear on the cartons in which some of their perfumes were packed and sold the following in the French language:

Cette specialite & ses Accessoires ont ete crees par Coty dans ses Usines de La Cite des Parfums a Suresnes pres Paris (France)

The English translation of the above statement is:

This specialty and its accessories were created by Coty in its factories in the City of Perfumes at Suresnes near Paris (France)

PAR. 21. The English equivalent for the French language does not appear on the said cartons or packages. In the following paragraph on said cartons or packages a statement in French is made that the products are exclusively the products of Coty, Inc., for the United States of America, "ou ils sont fabriques," which means, "where they are manufactured."

PAR. 22. The respondent subsidiary corporations of Coty, Inc., also caused their business stationery to bear the following address:

Parfums de Luxe
25 Place Vendome,
Paris

in addition to the address of the particular subsidiary.

PAR. 23. The perfumes labeled and described as herein set forth are blended or compounded in the United States of America from ingredients which are imported from France and other foreign countries, and to which is added, after importation, domestic alcohol, making a completed perfume. All perfumes or odors sold by Coty, Inc., are blended, compounded, and sold following the exact formulae originated in Paris, France, by the late M. Francois Coty, of Paris, France.

PAR. 24. Perfumes made or compounded have, for many years, enjoyed widespread popularity and demand among the trade and the consuming public throughout the United States, many of whom believe and consider that perfumes made, or compounded in France are superior in quality and other desirable characteristics to perfumes made or compounded in the United States.

PAR. 25. Many of the consuming public throughout the United States purchase perfumes made or compounded in France and im-

ported to the United States in preference to perfumes made, or compounded, in the United States.

PAR. 26. There are among the competitors of the respondents domestic makers and distributors of perfumes who make, blend, and compound their products in the United States. Some domestic competitors of respondents do not in any way represent that their products are made, blended, and compounded in any foreign country and then imported into the United States.

PAR. 27. The use of the statements and representations made by the respondents as herein set forth in connection with the sale and distribution of their products has had, and now has, the tendency and capacity to mislead and confuse a substantial part of the purchasing and consuming public into the erroneous and mistaken belief that the respondents' products are made or compounded in France and imported into the United States and into the purchase of said perfume because of said erroneous and mistaken belief. As a result thereof trade has been diverted unfairly to the respondents from their competitors who do not in any way represent that their products are made, blended, and compounded in any foreign country and then imported into the United States, when in fact said products were made or compounded in the United States.

CONCLUSION

The aforesaid acts and practices of respondents as herein found are all to the prejudice of the public and respondents' competitors, and constitute unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the amended and supplemental complaint of the Commission, the answer of Coty, Inc., Coty Products Corporation, Coty Processing Co., Inc., and Coty Sales Corporation (Coty, Inc. of New York; Coty Co., Ltd. of Maryland; Coty Co., Ltd. of Tennessee; Coty, California corporation; and Coty, New Jersey corporation, having filed no answer) testimony and other evidence taken before Edward E. Reardon, an examiner of the Commission theretofore duly designated by it, in support of the allegations of said amended and supplemental complaint and in opposition thereto, briefs filed herein, and oral arguments by S. Brogdyne Teu, II, counsel for the Commission, and Percy A. Shay, of counsel for the respondent, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the

Federal Trade Commission Act, and it appearing to the Commission that the corporate respondents Coty Processing Co., Inc., Coty, Inc. of New York, Coty Co., Ltd., a Maryland corporation, Coty Co., Ltd., a Tennessee corporation, Coty, California corporation, Coty, New Jersey corporation, and Coty Sales Corporation have been dissolved;

It is ordered, That the respondents Coty, Inc., and Coty Products Corporation, their officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of perfumes in commerce as "commerce" is defined in the Federal Trade Commission Act do forthwith cease and desist from:

1. Representing through the use of the term "Paris" or "Paris, France," or of any other terms, words, symbols, or picturizations indicative of French or other foreign origin of such product, or in any manner that perfumes which are made or compounded in the United States are made or compounded in France, or in any other foreign country; provided, however, that the country of origin of the various ingredients thereof may be stated when immediately accompanied by a statement that such product is made or compounded in the United States.

2. Using any French or other foreign terms or words, except as provided in paragraph 3 hereof, to designate, describe, or in any way to refer to perfumes made or compounded in the United States, unless the English translation or equivalent thereof appears as conspicuously and in immediate conjunction therewith.

3. Using the terms "Coty, Parfums de Luxe" or any other French or other foreign words or terms as brand or trade names for perfumes made or compounded in the United States, without clearly and conspicuously stating in immediate connection and conjunction therewith that such product is made or compounded in the United States.

It is further ordered, That this proceeding, insofar as the same relates to Coty Processing Co., Inc.; Coty, Inc. of New York; Coty Co., Ltd., a Maryland corporation; Coty Co., Ltd., a Tennessee corporation; Coty, California corporation; Coty, New Jersey corporation, and Coty Sales Corporation, be, and the same hereby is, closed without prejudice to the right of the Commission, should the future facts so warrant, to reopen the same and resume prosecution thereof in accordance with its regular procedure.

It is further ordered, That the respondents, Coty, Inc., and Coty Sales Corporation, shall, within 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
MORTON SALT COMPANY

CEASE AND DESIST ORDER

- *Docket 2150. Order, Oct. 17, 1939*

Order requiring respondent, its officers, etc., in instant proceeding (following Commission's complaint, etc., findings, and order of April 30, 1935, 20 F. T. C. 309, placement of matter *in fieri* pending decisions in related salt cases, and the making of such decisions therein) to cease and desist from using the words "smoked" or "smoke," etc., to designate, etc., salt offered and sold by it and which had not been directly subjected to action and effect of smoke from burning wood, etc., for curing, preserving, smoking, or flavoring meats, as in said original proceeding required and in said cease and desist order below set forth.

Before *Mr. Robert S. Hall*, trial examiner.

Mr. Jay L. Jackson for the Commission.

Mr. H. H. Shelton and *Sanders, Gravelle, Whitlock & Howrey*, of Washington, D. C., for respondent.

ORDER TO CEASE AND DESIST

This proceeding having been heard upon the complaint issued and served upon respondent, Morton Salt Co., and its answer thereto, testimony, evidence, briefs, and arguments of counsel for the Commission and counsel for respondent, and the Federal Trade Commission having made its report in writing stating its findings as to the facts and its conclusion drawn therefrom that the respondent has been and is violating the provisions of an act of Congress approved September 26, 1914, entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," and the Commission having, on April 30, 1935 entered and issued its order requiring the respondent, Morton Salt Co., its officers, agents, employees, and representatives, in connection with offering for sale or selling salt in interstate commerce or in the District of Columbia, to cease and desist, on brands or labels, and in magazines, trade journals, newspapers or other periodicals, or in house organs, pamphlets, radio broadcasting, or in any other form of advertisement, directly or indirectly, expressly or impliedly, from using the word "smoked" or the word "smoke," or any other word or words signifying smoke, or implying use of smoke, to designate or describe salt offered for sale, or sold, for curing, preserving, smoking, or flavoring meats, unless the salt so described or designated has been or is directly