

Complaint

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IN THE MATTER OF
FELLER'S, INC., ET AL.

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

Docket 6429. Complaint, Oct. 19, 1955—Decision, Apr. 4, 1956

Consent order requiring a furrier in Harrisburg, Pa., to cease violating the Fur Products Labeling Act through failing to comply with the labeling, advertising, and invoicing requirements.

Before *Mr. Robert L. Piper*, hearing examiner.

Mr. Philip R. Melangton, Jr. for the Commission.

Mr. David E. Feller, of Washington, D. C., for respondents.

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 Feller's, Inc., a corporation, and Charles Feller and Oscar Feller, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts, and the Rules and Regulations promulgated under the Fur Products Labeling Act, and 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 Feller's, Inc., is a corporation organized and existing under and by virtue of the laws of the Commonwealth of Pennsylvania with its office and principal place of business at Third & Market Streets, Harrisburg, Pennsylvania. Respondents Charles Feller and Oscar Feller are president and secretary-treasurer, respectively, of said corporate respondent. These individuals, acting in cooperation with each other, formulate, direct and control the acts, policies, and practices of said corporate respondent. Their addresses are the same as that of said corporate respondent.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act, August 9, 1952, respondents have been and now are, 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,

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advertised, offered for sale, transported, and distributed fur products which have been made in whole or in part of fur which had been shipped and received in commerce, as the terms "commerce," "fur," and "fur products" are defined in the said Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were falsely and deceptively labeled or otherwise falsely and deceptively identified with respect to the name or names of the animal or animals that produced the fur from which said fur products had been manufactured, 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.

PAR. 5. Certain of said fur products were misbranded in that, on labels attached thereto, respondents set forth the name of an animal other than the name of the animal that produced the fur product, in violation of Section 4 (3) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder.

PAR. 6. 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) Required information was set forth in abbreviated form, in violation of Rule 4 of the aforesaid Rules and Regulations.

(B) Required information was mingled with non-required information on labels, in violation of Rule 29 (a) of the aforesaid Rules and Regulations.

PAR. 7. Certain of said fur products were falsely and deceptively advertised in violation of said Fur Products Labeling Act, in that the respondents caused the dissemination in commerce, as "commerce" is defined in said Act of certain advertisements with respect to said fur products through the medium of newspapers and by various other means, which advertisements were not in accordance with the provisions of Section 5 (a) of said Act and which advertisements were intended to aid and did aid, promote and assist, directly and indirectly, in the sale and offering for sale of said fur products.

PAR. 8. Among said advertisements but not limited thereto, were advertisements disseminated by the respondents in various issues of the "Evening News," "The Patriot," and "Sunday Patriot-

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News," newspapers published in Harrisburg, Pennsylvania, and each having a wide circulation in said State and in various other States of the United States.

By and through the means of the aforesaid advertisements as well as others of the same import and meaning, not specifically referred to herein, respondents falsely and deceptively:

(A) Failed to disclose the name and names of the animal or animals that produced the fur contained in the fur products, as set forth in the Fur Products Name Guide, in violation of Section 5 (a) (1) of the Fur Products Labeling Act.

(B) Failed to disclose that fur contained in fur products was bleached, dyed or otherwise artificially colored fur, when such was the fact, in violation of Section 5 (a) (3) of the Fur Products Labeling Act.

(C) Failed to disclose the name of the country of origin of imported furs contained in fur products, in violation of Section 5 (a) (6) of the Fur Products Labeling Act.

(D) Failed to disclose that certain fur products were in truth and in fact second-hand, in violation of Rule 23 of the Rules and Regulations promulgated pursuant to said Act.

(E) Set forth the name or names of animals other than those producing the fur contained in the fur products, in violation of Section 5 (a) (5) of the Fur Products Labeling Act.

PAR. 9. Certain of said fur products were falsely and deceptively invoiced by the respondents in that they were not invoiced as required under the provisions of Section 5 (b) (1) of the said Fur Products Labeling Act, and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

PAR. 10. Certain of said fur products were falsely and deceptively invoiced by the respondents in that invoices furnished to purchasers thereof set forth the name of an animal in addition to the name of the animal which produced the fur; further, that the respondents in addition misrepresented therein the country of origin of imported furs contained in said fur products, in violation of Section 5 (b) (2) of said Fur Products Labeling Act, and the Rules and Regulations promulgated thereunder.

PAR. 11. Respondents, in the conduct of their business, are in substantial competition with other firms, corporations, and individuals in the sale, advertising, distribution, offering for sale, and selling in commerce of fur products.

PAR. 12. The acts and practices of the respondents as hereinbefore alleged were and are in violation of the Fur Products Labeling Act and of the Rules and Regulations promulgated thereunder,

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

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on October 19, 1955, charging them with having violated the Fur Products Labeling Act, the rules and regulations issued thereunder, and the Federal Trade Commission Act. After being served with said complaint, respondents appeared by counsel and entered into an agreement, dated February 3, 1956, containing a consent order to cease and desist disposing of all the issues in this proceeding without hearing. Said agreement has been submitted to the undersigned, heretofore duly designated to act as hearing examiner herein, for his consideration in accordance with Section 3.25 of the Rules of Practice of the Commission.

Respondents, pursuant to the aforesaid agreement, have admitted all of the jurisdictional allegations of the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Said agreement further provides that respondents waive all further procedural steps before the hearing examiner or the Commission, including the making of findings of fact or conclusions of law and the right to challenge or contest the validity of the order to cease and desist entered in accordance with such agreement. It has also been agreed that the record herein shall consist solely of the complaint and said agreement, that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission, that said agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint, that said order to cease and desist shall have the same force and effect as if entered after a full hearing and may be altered, modified, or set aside in the manner provided for other orders, and that the complaint may be used in construing the terms of the order.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement containing the consent order, and it appearing that the order and agreement (1) cover all of the allegations of the complaint except the allegation that respondents in certain advertising failed to disclose that certain fur products offered for sale were second-hand, which allegation, as explained by memorandum of counsel supporting the complaint and affidavit of respondent Charles Feller, was abandoned for good

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reasons shown, and (2) provide for appropriate disposition of this proceeding, the same are hereby accepted and ordered filed upon becoming part of the Commission's decision pursuant to Sections 3.21 and 3.25 of the Rules of Practice, and the hearing examiner accordingly makes the following findings, for jurisdictional purposes, and order:

1. Respondent Feller's, Inc. is a corporation existing and doing business under and by virtue of the laws of the Commonwealth of Pennsylvania, with its office and principal place of business located at Third and Market Streets, in the City of Harrisburg, Commonwealth of Pennsylvania. Respondents Charles Feller and Oscar Feller are individuals and officers of said corporate respondent and have the same address as that of the said corporate respondent.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents above named. The complaint states a cause of action against said respondents under the Fur Products Labeling Act and the Federal Trade Commission Act, and this proceeding is in the interest of the public.

ORDER

It is ordered, That the respondents Feller's, Inc., a corporation, and its officers, and Charles Feller and Oscar Feller, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertising, or offering for sale in commerce, or the transportation or distribution in commerce, of fur products, or in connection with the sale, advertising, offering for sale, transportation or distribution of fur products which have been made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur," and "fur products" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

(A) Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produce the fur from which such product was manufactured;

(2) Failing to affix labels to fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product as set forth in the Fur Products Name Guide and as prescribed under the Rules and Regulations;

(b) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

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(c) The name of the country of origin of any imported furs used in the fur products;

(d) The name, or other identification issued and registered by the Commission, of one or more persons who manufactured 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;

(e) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(3) Setting forth on labels attached to fur products, the name or names of any animal or animals other than the name or names provided for in paragraph A (2) (a) above;

(4) Setting forth on labels attached to fur products:

(a) Non-required information mingled with required information;

(b) Required information in abbreviated form;

B. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, notice, or in any other manner, which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products, and which:

(1) Fails to disclose:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur products as set forth in the Fur Products Name Guide and as prescribed under the Rules and Regulations;

(b) That the fur products contain or are composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(c) The name of the country of origin of any imported furs contained in fur products;

(2) Sets forth, directly or by implication:

(a) The name or names of any animal or animals other than the name or names provided for in Paragraph Five (a) (5) of the Fur Products Labeling Act;

C. Falsely or deceptively invoicing fur products by:

(1) Failing to furnish invoices to purchasers of fur products showing:

(a) The name or names of the animal or animals producing the fur or furs contained in the fur product, as set forth in the Fur Products Name Guide and as prescribed under the Rules and Regulations;

(b) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur, when such is a fact;

(c) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is a fact;

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- (d) The name and address of the person issuing such invoice;
- (e) The name of the country of origin of any imported furs contained in a fur product;

(2) Using on invoices the name or names of any animal or animals other than the name or names provided for in paragraph C (1) (a) above, or furnishing invoices which misrepresent the country of origin of imported furs contained in fur products, or which contain any form of misrepresentation or deception, directly or by implication, with respect to such fur products.

DECISION OF THE COMMISSION AND ORDER TO FILE
REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 4th day of April, 1956, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Feller's, Inc., a corporation, and Charles Feller and Oscar Feller, individually and as officers of Feller's, Inc., 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 to cease and desist.

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IN THE MATTER OF
DODGE INCORPORATED ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION
OF THE FEDERAL TRADE COMMISSION ACT

Docket 6438. Complaint, Nov. 7, 1955—Decision, Apr. 4, 1956

Consent order requiring a Chicago manufacturer to cease falsely representing trophies, awards, and miscellaneous synthetic jewelry with simulated silver lettering as genuine onyx or marble through describing them as "Rio Onyx" and "Marblette," "engraved * * * in Silver," in catalogs and advertising material furnished to dealers and by them widely distributed to prospective purchasers.

Before *Mr. Robert L. Piper*, hearing examiner.

Mr. Terral A. Jordan for the Commission.

Lord, Bissell & Brook, of Chicago, Ill., for respondents.

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 Dodge Incorporated, a corporation and Ray E. Dodge and J. J. Kuhn, individually and as officers 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 and stating its charges in that respect as follows:

PARAGRAPH 1. Respondent, Dodge Incorporated, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at 702-706 North Hudson Avenue, Chicago, Illinois. Respondents Ray E. Dodge and J. J. Kuhn are respectively President and Vice-President of the corporate respondent. The individual respondents, acting in cooperation with each other, formulate, direct and control all of the policies and acts of said corporation. The address of said individual respondents is the same as that of the corporate respondent.

PAR. 2. Respondents are now and have been for more than one year last past, engaged in the manufacture, sale and distribution of trophies, cups, plaques, medals, jewelry, and gift items, in commerce, among and between the various States of the United States and in the District of Columbia. Respondents maintain, and at