

IN THE MATTER OF
SATTTLER'S, INC.

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

Docket 6517. Complaint, Feb. 20, 1956—Decision, July 18, 1956

Consent order requiring a Buffalo, N.Y., furrier to cease violating the Fur Products Labeling Act by failing to label fur products as required by the Act; by advertisements in newspapers which failed to name the animals producing particular furs and which misrepresented savings and values possible to purchasers; and by failing to maintain adequate records on which such purported savings and values were based.

Mr. John T. Walker for the Commission.

Diebold & Millonzi, of Buffalo, N.Y., for respondent.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

On February 20, 1956, the Federal Trade Commission issued its complaint in this proceeding, charging the Respondent with unfair and deceptive acts and practices in commerce by misbranding and falsely and deceptively advertising its fur products, in violation of the Federal Trade Commission Act and of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder.

On May 17, 1956, Respondent and its counsel, and counsel supporting the complaint, entered into an Agreement Containing Consent Order To Cease And Desist, which was approved by the Director and Assistant Director of the Commission's Bureau of Litigation, and thereafter submitted to the Hearing Examiner for his consideration.

Respondent Sattler's, Inc. is identified in the agreement as a New York corporation, with its office and principal place of business located at 998 Broadway, Buffalo, New York.

Respondent admits all the jurisdictional facts alleged in the complaint and agrees that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations.

Respondent, in the agreement, waives any further procedure before the Hearing Examiner and the Commission; the making of findings of fact or conclusions of law; and all of the rights it may have to challenge or contest the validity of the order to cease and desist entered in accordance therewith. All parties agree that the

record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the agreement; and that the agreement is for settlement purposes only and does not constitute an admission by Respondent that it has violated the law as alleged in the complaint.

The agreement sets forth that the order to cease and desist contained therein 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 herein may be used in construing the terms of said order.

After consideration of the charges set forth in the complaint, and the provisions of the agreement and the proposed order, the Hearing Examiner is of the opinion that such order will safeguard the public interest to the same extent as could be accomplished by an order issued after full hearing and all other adjudicative procedure waived in said agreement. Accordingly, in consonance with the terms of the aforesaid agreement, the Hearing Examiner accepts the Agreement Containing Consent Order To Cease And Desist; finds that the Commission has jurisdiction over the Respondent and over its acts and practices as alleged in the complaint; and finds that this proceeding is in the public interest. Therefore,

It is ordered, That Respondent, Sattler's, Inc., a corporation, and its officers, 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 has been made in whole or in part of fur which had been shipped and received in commerce, as "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produced 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 used fur, when such is a fact;

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

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

(e) 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;

(f) The name of the country of origin of any imported furs used in the fur product;

3. Setting forth on labels attached to fur products: (a) Required information in abbreviated form or in handwriting;

(b) Nonrequired information mingled with required information;

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

1. Fails to disclose 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;

2. Represents, directly or by implication:

(a) That the regular or usual price of any fur product is any amount which is in excess of the price at which the respondent has usually and customarily sold such products in the recent regular course of its business;

(b) The value of fur products, when such claims and representations are not true in fact;

3. Makes use of comparative prices or percentage savings claims unless such compared prices or claims are based upon the current market value of the fur product or upon a bona fide compared price at a designated time;

4. Make price claims and representations of the type referred to in sub-paragraphs 2 (a) and (b) and paragraph 3 above, unless there are maintained by Respondent full and adequate records disclosing the facts upon which such claims or representations are based, as required by Rule 44(e) of the Rules and Regulations.

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 18th day

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of July, 1956, become the decision of the Commission; and, accordingly:

It is ordered, That respondent Sattler's, Inc., a corporation, shall, within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist.

IN THE MATTER OF
GREENGLASS DISTRIBUTING CORPORATION ET AL.

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

Docket 6533. Complaint, Mar. 21, 1956—Decision, July 18, 1956

Order requiring distributors in Jackson Heights, N.Y., of perfumes, toilet waters, and colognes, to cease representing falsely in advertisements in newspapers and circulars that excessive and fictitious prices were their customary retail prices, nationally advertised; and that certain cosmetics were compounded in France.

Mr. William R. Tinch for the Commission.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission on March 21, 1956, issued and subsequently served its complaint in this proceeding upon the respondents Greenglass Distributing Corporation, a corporation, and Hyman Greenglass, individually and as an officer of said corporation and also trading as Greenglass Sales Company, charging them with the use of unfair and deceptive acts and practices and unfair methods of competition in commerce in violation of the provisions of said Act. Subsequent thereto, said respondents failed to file their answers in this proceeding or to appear before the hearing examiner on June 5, 1956, the date set for initial hearing in the complaint and were declared in default. At said initial hearing counsel in support of the complaint was present and submitted a proposed order for consideration by the hearing examiner. Respondents being in default both as to answering the complaint and as to appearance at the initial hearing, the hearing examiner proceeding under Rule 3.7 of the Commission's Rules of Practice, now issues his initial decision, finding the facts to be as alleged in the complaint and issuing an order considered by him to be warranted by such facts, the order being essentially that submitted at the hearing by counsel in support of the complaint.

FINDINGS AS TO THE FACTS

1. Respondent Greenglass Distributing Corporation is a corporation organized, existing, and doing business under and by virtue of the laws of the State of New York. Respondent Hyman Greenglass is president of said corporate respondent; he formerly did business under the trade name of Greenglass Sales Company. Said individual