

IN THE MATTER OF
RAVEL PERFUME CORPORATION ET AL.

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

Docket 6435. Complaint, Nov. 1, 1955—Decision, July 21, 1956

Consent order requiring two associated corporations, with offices in New York City and Rego Park, L.I., respectively, to cease ticketing their perfumes, colognes, and toilet waters and containers thereof with fictitious prices, publishing advertisements showing excessive amounts as the usual prices of certain products, and furnishing to dealers facsimiles of newspaper advertisements which represented falsely that various retail stores were currently selling their products at the prices set out; to cease representing falsely in advertising and on certain products and their cartons that such products were compounded in France and that the essences used in compounding them were imported; and requiring one of said corporations to cease representing itself falsely as the manufacturer of their products.

Mr. William L. Taggart for the Commission.

Mr. Samuel J. Ernstoff and *Mr. Martin J. Forgang*, of New York City, for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges that respondents, in the sale and distribution, among other things, of perfumes, colognes and toilet waters in commerce, as "commerce" is defined in the Federal Trade Commission Act, have misrepresented, in their advertisements and on tags or price tickets placed on certain of their products, the usual and customary retail prices of such products and the origin of such products and of certain ingredients used therein, in violation of the provisions of said Act.

After the issuance of the complaint and the filing by respondents of an answer thereto, respondents, their 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, Bureau of Litigation of the Commission, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement identifies respondents Ravel Perfume Corporation and Merchandise Purchasing Corporation as corporations organized, existing and doing business under and by virtue of the laws of the State of New York, with their offices and principal places of business located at 5 East 35th Street, New York, New York, and sets forth

that individual respondents Harry Swanson and Louis D. Maurer are officers of said corporate respondents, their addresses being, respectively, 200 West 86th Street, New York, New York, and 65-60 Wetherole Street, Rego Park, Long Island, New York.

The agreement provides, among other things, that respondents admit all the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations; that respondents' answer to the complaint shall be considered as having been withdrawn, and that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this 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 the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the 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; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive any further procedural steps before the Hearing Examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully covers all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Federal Trade Commission Act. Accordingly, the Hearing Examiner finds this proceeding to be in the public interest and accepts the Agreement Containing Consent Order To Cease And Desist as part of the record upon which this decision is based. Therefore,

It is ordered, That respondents Ravel Perfume Corporation, a corporation, Merchandise Purchasing Corporation, a corporation, and their officers, and Harry Swanson and Louis D. Maurer, individually and as officers of said corporations, their agents, representatives and employees, directly or through any corporate or other device, in connection with the sale, offering for sale, sale and distribution of perfumes, colognes, toilet waters and allied products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing on price tags attached to their products, in advertisements or in any other manner that certain amounts are the regular and usual retail prices of their products when such amounts are in excess of the prices at which said products are usually and customarily sold at retail;

2. Representing in any manner or furnishing to their dealers any means or instrumentality by and through which said dealers may represent that their products, or any of them, are currently being displayed or sold by any specified store or class of stores at any designated prices, when such is not the fact;

3. Using the words or terms "The Favorite of Fashionable Paris," "As French as the Champs Elysee," "Design Created in Paris," or any other terms indicative of France, in advertising products not compounded in France; or otherwise representing, directly or by implication, that such products are compounded in or imported from France;

4. Using the words "La Vie en Rose," or any other words indicating French origin, as brand or trade names for perfumes, colognes or toilet water compounded in the United States, without clearly and conspicuously stating, in immediate connection and conjunction therewith, that such products are compounded in the United States;

5. Representing that said products contain imported essences unless it is clearly and conspicuously disclosed in immediate connection therewith that not all of the essences are so imported, when such is the fact.

It is further ordered, That respondent Ravel Perfume Corporation, a corporation, and Harry Swanson and Louis D. Maurer, individually and as officers of said corporation, their agents, representatives and employees, directly or through any corporate or other device, in connection with the sale, offering for sale, sale and distribution of perfumes, colognes and other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

Representing that they manufacture the products sold by them, when such is not the fact.

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 21st day of July, 1956, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Ravel Perfume Corporation, a corporation; Merchandise Purchasing Corporation, a corporation; and Harry Swanson and Louis D. Maurer, individually and as officers of said corporations, 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.

IN THE MATTER OF
AMITY MILLS, INCORPORATED

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

Docket 6510. Complaint, Feb. 17, 1956—Decision, July 21, 1956

Consent order requiring a distributor in New York City of cotton and other fabrics, to cease using the word "Mills" in its corporate name and to cease representing falsely in advertising that certain fabrics it imported from Italy were manufactured exclusively for it.

Mr. Charles S. Cox for the Commission.

Scribner & Miller, of New York City, for respondent.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges that respondent has violated the provisions of the Federal Trade Commission Act by the deceptive use of the word "Mills" in its corporate name, and by misrepresenting in its advertising that certain fabrics imported and offered for sale by it were manufactured for it and that it was the exclusive distributor thereof. Respondent filed an answer to the complaint, denying generally the charges contained therein.

Thereafter, on April 25, 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, Bureau of Litigation of the Commission, and subsequently transmitted to the Hearing Examiner for consideration.

The agreement identifies respondent Amity Mills, Incorporated as a corporation existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 12 West 32nd Street, New York, New York.

The agreement provides, among other things, that 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; that respondent's answer to the complaint herein shall be considered as having been withdrawn, and the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement; that the agreement shall not become a part of the official record unless and until it becomes a part