

IN THE MATTER OF
STONE & STONE, INC., ET AL.

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

Docket 6538. Complaint, Mar. 23, 1956—Decision, Sept. 7, 1956

Consent order requiring a New York City furrier to cease violating the Fur Products Labeling Act by failing to disclose on labels the fact that a fur product was dyed, failing to label fur products as required, and invoicing certain fur falsely as natural when it was artificially colored.

Mr. John T. Walker for the Commission.

Mr. Alexander Slater, of New York City, for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on March 23, 1956, alleging that the Respondents are, and subsequent to August 9, 1952, the effective date of the Fur Products Labeling Act, have been using unfair and deceptive acts and practices in commerce by misbranding and falsely and deceptively invoicing certain of their fur products, in violation of the Fur Products Labeling Act, the Rules and Regulations promulgated thereunder, and the Federal Trade Commission Act.

On July 11, 1956, 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 of the Commission's Bureau of Litigation, and thereafter submitted to the Hearing Examiner for consideration.

Respondent Stone & Stone, Inc. is identified in the agreement as a New York corporation, with its office and principal place of business located at 333 Seventh Avenue, New York, New York, and Respondents Max Stone and Jerome Magnus, respectively, are identified as the President and Treasurer, and as the Production Manager, thereof, having their office at the same place as the corporate Respondent, whose acts, policies and practices they, acting in cooperation with each other, formulate, direct and control.

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.

Respondents, in the agreement, waive any further procedure before the Hearing Examiner and the Commission; the making of findings

of fact or conclusions of law; and all the rights they 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; that the order to cease and desist as contained in the agreement 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 constitutes a satisfactory disposition of this proceeding. 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 Respondents and over their acts and practices as alleged in the complaint; and finds that this proceeding is in the public interest. Therefore,

It is ordered, That Respondents Stone & Stone, Inc., a corporation, and its officers; and Max Stone, individually and as President and Treasurer of said corporation; and Jerome Magnus, individually and as Production Manager for said corporation; and their 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 "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by failing to affix labels to such 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;

B. Falsely or deceptively invoicing fur products by 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 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 and address of the person issuing such invoice;

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

C. Falsely and deceptively invoicing fur products as being made of "natural" furs when they are in fact bleached, dyed, or otherwise artificially colored.

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 7th day of September, 1956, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Stone & Stone, Inc., a corporation; and Max Stone, individually and as President and Treasurer of said corporation; and Jerome Magnus, individually and as Production Manager for said corporation, 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.

Decision

IN THE MATTER OF
HYSTER COMPANY

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2 (a)
OF THE CLAYTON ACT

Docket 6330. Complaint, Apr. 15, 1955—Decision, Sept. 8, 1956

Order dismissing, for lack of proof of the effect on competition required by the statute, complaint charging a manufacturer of industrial trucks, with factories at Portland, Ore., and Peoria and Danville, Ill., with discriminating in price in violation of Sec. 2(a) of the Clayton Act by means of a "Fleet Discount Plan" applying only to those ultimate purchasers who owned and maintained respondent's industrial trucks and equipment.

Mr. William H. Smith for the Commission.

McBride & Baker, of Chicago, Ill., for respondent.

INITIAL DECISION DISMISSING COMPLAINT BY FRANK HIER,
HEARING EXAMINER

Counsel in support of the complaint in this proceeding, having moved, before any evidence taken, to dismiss the complaint without prejudice, on the ground that he is unable to prove the effect on competition prescribed by the statute under which the complaint is brought, and nothing to the contrary appearing, and counsel for respondent obviously having no objection, said motion is granted, and, accordingly,

It is ordered, That the complaint herein be, and the same hereby is, dismissed without prejudice.

DECISION OF THE COMMISSION

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 8th day of September, 1956, become the decision of the Commission.

Commissioners Gwynne and Mason not participating.