

Decision

IN THE MATTER OF
STEIN BROTHERS FUR COMPANY, INC., ET AL.

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

Docket 6586. Complaint, July 9, 1956—Decision, Nov. 6, 1956

Consent order requiring a Wichita, Kans., furrier to cease violating the Fur Products Labeling Act by false and deceptive labeling, invoicing and advertising which, variously, used names of other animals than those producing a particular fur, failed to disclose that certain products were composed of flanks or of second-hand used fur, and failed in other respects to conform to statutory requirements; and through failing to maintain adequate records upon which their claims of price reductions and comparative pricing were based.

Mr. John T. Walker and Mr. S. F. House for the Commission.
Mr. J. D. Fair, of Wichita, Kans., for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with certain violations of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and the Federal Trade Commission Act. An agreement has now been entered into by respondents and counsel supporting the complaint which provides, among other things, that respondents admit all of the jurisdictional allegations in the complaint; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and agreement; that the inclusion of findings of fact and conclusions of law in the decision disposing of this matter is waived, together with any further procedural steps before the hearing examiner and the Commission; that the order hereinafter set forth may be entered in disposition of the proceeding, such order to have the same force and effect as if entered after a full hearing, respondents specifically waiving any and all rights to challenge or contest the validity of such order; that the order may be altered, modified, or set aside in the manner provided for other orders of the Commission; and 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.

The hearing examiner having considered the agreement and proposed order and being of the opinion that they provide an adequate basis for an appropriate disposition of the proceeding, the agreement

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is hereby accepted, the following jurisdictional findings made, and the following order issued:

1. Respondent Stein Brothers Fur Company, Inc., is a corporation existing and doing business under the laws of the State of Kansas, with its office and principal place of business located at 201 South Main Street, Wichita, Kansas. Respondent Morris S. Lavin is president and treasurer of the corporation and formulates, directs and controls its acts, policies and practices.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Stein Brothers Fur Company, Inc., a corporation, and its officers, and respondent Morris S. Lavin, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction in 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:

1. 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.

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2. Setting forth on the 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(1) above.

3. Setting forth on labels attached to fur products:

- a. Non-required information mingled with required information;
- b. Required information in handwriting;
- c. Required information in abbreviated form.

4. Failing to set forth on labels attached to fur products:

- a. The names of the pieces composing the fur products;
- b. The term "second hand used fur" where applicable.

5. Failing to use labels that have a minimum dimension of one and three fourths inches by two and three fourths inches.

B. 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 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 invoices;

f. The name of the country of origin of any imported furs contained in the fur product.

2. Failing to set forth on invoices the item number of the fur product.

3. Failing to disclose that the fur products are composed of pieces, when such is the fact.

4. Failing to use the term "second hand used fur" when such term applies.

5. Setting forth on invoices the name or names of any animal or animals other than the name or names provided for in Paragraph B(1)(a).

C. 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:

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 fur products contain or are composed of used fur, when such is the fact.

2. Fails to use the term "second hand used fur" wherever applicable.

D. Failing to maintain and preserve full and adequate records disclosing the facts upon which claims of price reductions and comparative pricing are made in their advertising as required by Rule 44(e).

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 6th day of November, 1956, become the decision of the Commission; and, accordingly:

It is ordered, That the respondents herein 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
BECKMAN-HAMMER FURS, ET AL.

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

Docket 6542. Complaint, Apr. 18, 1956—Decision, Nov. 7, 1956

Consent order requiring a Beverly Hills, Calif., furrier to cease violating the Fur Products Labeling Act by false and deceptive labeling, invoicing and advertising which, variously, identified certain furs by names of animals other than those producing the fur, failed to disclose that certain fur was secondhand, and misrepresented prices and values and source of stocks; by failing to maintain adequate records as a basis for purported reduced prices; by failing in other respects to comply with the requirements of the Act.

Mr. George E. Steinmetz for the Commission.

Mr. Sidney S. Kohn, of Los Angeles, Calif., for respondents.

INITIAL DECISION BY EVERETT F. HAYCRAFT, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on April 18, 1956, charging them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of the Federal Trade Commission Act, the Fur Products Labeling Act and the Rules and Regulations promulgated under the Fur Products Labeling Act. After the issuance of said complaint and the filing of their answer thereto, the respondents entered into an agreement with counsel supporting the complaint, dated August 21, 1956, providing for the entry of a consent order disposing of all the issues in this proceeding, which agreement was duly approved by the Director and the Assistant Director of the Bureau of Litigation.

By the terms of said agreement, the respondents admitted all the jurisdictional facts alleged in the complaint and each of them agreed that the record herein may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Respondents in the agreement expressly waived 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 and each of them may have to challenge or contest the validity of the order to cease and desist entered in accordance with the said agreement.

By said agreement the answer of the respondents to the complaint shall be considered as having been withdrawn in its entirety,