

Decision

IN THE MATTER OF
ROBERT KOSLOW TRADING AS KOSLOW'S

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

Docket 6668. Complaint, Oct. 30, 1956—Decision, Mar. 6, 1957

Consent order requiring a furrier in Fort Worth, Texas, to cease violating the Fur Products Labeling Act by advertisements in newspapers which failed to disclose the names of animals producing certain furs or that fur products were composed of artificially colored or cheap or waste fur, and which represented prices falsely as reduced; by means of labels which contained fictitious prices and misrepresented values or failed otherwise to set forth information in the form required by the Act; and by failing to invoice products as required.

R. D. Young, Jr., Esq., for the Commission.

Herbert L. Tuchin, Esq., of Fort Worth, Tex., for respondent.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondent on October 30, 1956, charging him with having violated the Fur Products Labeling Act, the rules and regulations issued thereunder, and the Federal Trade Commission Act, by misbranding, falsely advertising and falsely invoicing his fur products. Respondent appeared by counsel and entered into an agreement, dated December 3, 1956, containing a consent order to cease and desist, disposing of all the issues in this proceeding without hearing, which agreement has been duly approved by the Director of the Bureau of Litigation. 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.

Respondent, pursuant to the aforesaid agreement, has 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 made duly in accordance with such allegations. Said agreement further provides that respondent 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 agree-

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ment, 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 respondent that he has 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 cover all of the allegations of the complaint and provide for appropriate disposition of this proceeding, the agreement is hereby accepted and ordered filed upon this decision and said agreement 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 Robert Koslow is an individual trading and doing business as Koslow's. The office and principal place of business of respondent is located at 405 West 7th Street, in the city of Fort Worth, State of Texas.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent hereinabove named. The complaint states a cause of action against said respondent 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 respondent Robert Koslow, individually, and trading under the name of Koslow's or any other name, and respondent's 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 product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

- A. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement, or notice

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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 bleached, dyed or otherwise artificially colored fur, when such is the fact;

c. That fur products contain or are composed in whole or in substantial part of paws, tails or flanks, when such is the fact;

2. Represents, directly or by implication, 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 his business.

B. Making 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.

C. Making pricing claims or representations respecting the wholesale prices, manufacturers' cost, reduced prices, comparative prices, percentage savings, or value or quality of fur or fur products, unless there is maintained and preserved by respondent adequate records disclosing the facts upon which such claims or representations are based.

D. 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 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, or flanks, when such is a fact;

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;

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e. 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 fictitious prices or any misrepresentation as to the value of such fur product, either directly or by implication.

4. Setting forth on labels attached to fur products non-required information mingled with required information.

E. 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, or flanks, when such is a fact;

d. The name and address of the person issuing such invoice;

e. The name of the country or origin of any imported fur contained in a fur product.

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 March, 1957, become the decision of the Commission; and, accordingly:

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

Decision

IN THE MATTER OF
MARTIN GHERSTEIN ET AL. TRADING AS
M. GERSTEIN & SONS

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

Docket 6643. Complaint, Sept. 28, 1956—Decision, Mar. 7, 1957

Consent order requiring a furrier in New York City to cease violating the Fur Products Labeling Act by failing to disclose on labels that certain fur products were dyed, and by failing in other respects to comply with labeling requirements; by invoicing artificially colored fur as natural; and by furnishing false guaranties that certain of their fur products were not misbranded, falsely invoiced, and falsely advertised.

Mr. S. F. House for the Commission.

Mr. Martin Gherstein and *Mr. Daniel Harris*, of New York, N. Y.,
pro se.

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 agree-