

IN THE MATTER OF

FRANK L. GOULD TRADING AS FRANK GOULD FUR
COMPANY, GOULD'S FURS, AND GOULD'S ALASKAN

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

Docket 6660. Complaint, Oct. 25, 1956—Decision, Mar. 20, 1957

Consent order requiring a furrier in Houston, Texas, to cease violating the Fur Products Labeling Act through misbranding, false invoicing, and false advertising of fur products.

Mr. S. F. House for the Commission.

Mr. Leonard Stolaroff, of Houston, Tex., for respondent.

INITIAL DECISION AND ORDER BY LOREN H. LAUGHLIN,
HEARING EXAMINER

The Federal Trade Commission (hereinafter referred to as the Commission) on October 25, 1956, issued its complaint herein under the Federal Trade Commission Act, and the Fur Products Labeling Act against the above-named respondent Frank L. Gould, an individual trading as Frank Gould Fur Company, Gould's Furs, and Gould's Alaskan. The complaint charges respondent with having violated in certain particulars the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling Act. The respondent was duly served with process. Respondent being in default of answer or other pleading, however, the hearing examiner on December 19, 1956, set a hearing to be held in Washington, D.C., on January 17, 1957, in order to determine the form of order to be issued. But upon the filing of an answer by respondent on December 26, 1956, and upon being later advised that Commission's counsel and the respondent were negotiating an agreement for a consent cease and desist order pursuant to § 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings, which was in due course submitted to the examiner for his approval, said hearing so set for January 17, 1957, was cancelled.

On February 4, 1957, there was filed with the hearing examiner of the Commission an "Agreement Containing Consent Order to Cease and Desist," which had been entered into by and between the said respondent by his attorney, Leonard Stolaroff, and S. F. House, counsel supporting the complaint, under date of January 11, 1957, and subject to the approval of the Bureau of Litigation of the Com-

mission. Such agreement had been thereafter duly approved by the Director and Assistant Director of the Commission's Bureau of Litigation and on February 4, 1957, the same was submitted to the undersigned hearing examiner for his consideration and approval.

On due consideration of the said agreement containing consent order to cease and desist, the hearing examiner finds that said agreement both in form and content is in accord with § 3.25 of the Rules of Practice and Procedure of the Commission and that by said agreement the parties have specifically agreed that:

1. Respondent Frank L. Gould is an individual trading as Frank Gould Fur Company, Gould's Furs, and Gould's Alaskan, with his office and principal place of business located at 3302 South Main Street, in the City of Houston, State of Texas.

2. Pursuant to the provisions of the Fur Products Labeling Act, the Federal Trade Commission, on October 25, 1956, issued its complaint in this proceeding against respondent, and a true copy was thereafter duly served on respondent.

3. 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.

4. This agreement disposes of all of this proceeding as to said respondent.

5. Respondent waives:

(a) Any further procedural steps before the hearing examiner and the Commission;

(b) The making of findings of fact or conclusions of law; and

(c) All of the rights he may have to challenge or contest the validity of the order to cease and desist entered in accordance with this agreement.

6. 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.

7. This agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission.

8. This 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.

The parties have further specifically agreed that the proposed order to cease and desist included in said agreement may be entered in this proceeding by the Commission without further notice to respondent; that when so entered it shall have the same force and

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effect as if entered after a full hearing; that it 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.

Upon due consideration of the complaint filed herein and the said "Agreement Containing Consent Order to Cease and Desist," the latter is hereby approved, accepted and ordered filed, the same not to become a part of the record herein, however, unless and until it becomes part of the decision of the Commission. The hearing examiner finds that the Commission has jurisdiction of the subject matter of this proceeding and of the person of the respondent herein; that the complaint states a legal cause for complaint under the Federal Trade Commission Act and the Fur Products Labeling Act and the Rules and Regulations promulgated by the Commission under the latter Act, against respondent both generally and in each of the particulars alleged therein; that this proceeding is in the interest of the public; that the following order as proposed in said agreement is appropriate for the just disposition of all of the issues in this proceeding, such order to become final only if and when it becomes the order of the Commission; and that said order therefore should be, and hereby is, entered as follows:

ORDER

It is ordered, That Frank L. Gould, an individual trading as Frank Gould Fur Company, Gould's Furs, and Gould's Alaskan, or trading under any other name or names, 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 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:

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;

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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 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;

b. Non-required information mingled with required information;

c. Required information in handwriting;

d. Required information in a sequence different from that required by Rule 30(a) of the Rules and Regulations.

4. Failure to use the term "second-hand used furs" where applicable.

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 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. Setting forth required information in abbreviated form.

C. Falsely or deceptively advertising fur products through the use of any advertisement, 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 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.

2. Sets forth required information in abbreviated form.

3. Fails to use the term "second-hand used fur" where applicable.

4. 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 respondent has usually and customarily sold such products in the recent regular course of his business;

b. The value of fur products when such claims and representations are not true in fact.

5. 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.

6. Makes pricing claims and representations of the types referred to in paragraphs 4 (a) and (b) and paragraph 5 above, unless there are maintained by respondent full and adequate records disclosing the facts upon which such claims or representations are based.

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 20th 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
BARCLAY HOME PRODUCTS, INC., ET AL.

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

Docket 6526. Complaint, Mar. 6, 1956—Decision, Apr. 2, 1957

Consent order requiring a manufacturer in Cohoes, N.Y., to cease branding and invoicing as "Wool", "ALL NEW MATERIAL CONSISTING OF WOOL BATTING", and "WOOL BATTING", comforters which contained a substantial amount of fibers other than wool or a large percentage of reprocessed wool; failing to stamp or label wool products as required by the Wool Products Labeling Act; and enclosing in the individual containers with said comforters streamers or inserts bearing a fictitious price greatly in excess of the regular price.

Harold A. Kennedy, Esq., for the Commission.

Irving Meller, Esq., of New York City, for respondents.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on March 6, 1956, charging them with having violated the Wool Products Labeling Act, the rules and regulations issued thereunder, and the Federal Trade Commission Act, by misbranding, falsely representing and falsely invoicing their wool products. Respondents appeared by counsel and after the conclusion of the case-in-chief entered into an agreement, dated January 22, 1957, containing a consent order to cease and desist, disposing of all the issues in this proceeding without further hearings, 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. The order submitted with the agreement is as complete as one which could have been issued at the conclusion of hearing the entire proceeding.

Respondents, pursuant to the aforesaid agreement, have 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 respondents 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