

Decision

IN THE MATTER OF
RELIABLE LUGGAGE, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket 6794. Complaint, May 14, 1957—Decision, Jan. 16, 1958*

Consent order requiring manufacturers in West Pittsburgh, Pa., to cease preticketing their luggage with labels bearing fictitiously high retail prices, thereby giving retailers a means of deceiving the public into believing that the actual prices were bargains.

Mr. Garland S. Ferguson for the Commission.

Mr. Paul J. Winschel, of Pittsburgh, Pa., for respondents.

INITIAL DECISION BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with violation of the Federal Trade Commission Act through the use of fictitious prices for their luggage. 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 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; that the complaint may be used in construing the terms of the order; 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 is hereby accepted, the following jurisdictional findings made, and the following order issued:

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54 F.T.C.

1. Respondent Reliable Luggage, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business located in West Pittsburgh, Lawrence County, Pa. Respondents Sam L. Weiner, Jay H. Weiner, and Leroy Weiner are officers of the corporation and formulate, direct, and control its 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 respondents, Reliable Luggage, Inc., a corporation, and its officers, Sam L. Weiner, Jay H. Weiner, and Leroy Weiner, individually and as officers of said corporate respondent, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of luggage and related products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing by means of fictitious preticketing of price tags or otherwise that certain amounts are the customary and usual retail prices of such products when such amounts are in excess of the prices at which such products are usually and customarily sold at retail in the normal course of business.

2. Putting any plan into operation through the use of which retailers or others may misrepresent the customary and usual retail prices of such products.

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 16th day of January 1958, 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.

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IN THE MATTER OF
CROWN QUILTING CO., INC., ET AL.

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

Docket 6864. Complaint, Aug. 14, 1957—Decision, Jan. 16, 1958

Consent order requiring a manufacturer in New York City to cease violating the Wool Products Labeling Act by labeling and invoicing as "100% Re-processed Wool" or "100% Repr. Wool", quilted interlining materials containing substantial amounts of nonwoolen fibers.

Mr. John T. Walker supporting the complaint.

Mr. Irving Israel, of New York, N.Y., for respondents.

INITIAL DECISION OF JOHN LEWIS, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on August 14, 1957, charging them with having violated the Wool Products Labeling Act of 1939 and the rules and regulations promulgated thereunder, and the Federal Trade Commission Act, through the misbranding of certain wool products and falsely representing the composition of certain quilted interlining material on sales invoices and shipping memoranda. After being served with said complaint, respondents appeared by counsel and filed their answer thereto. Thereafter the parties entered into an agreement containing consent order to cease and desist, dated October 21, 1957, purporting to dispose of all of this proceeding as to all parties without hearing. Said agreement, which has been signed by all respondents, by counsel for said respondents, and by counsel supporting the complaint, and approved by the director and assistant director of the Commission's Bureau of Litigation, has been submitted to the above-named hearing examiner for his consideration, in accordance with section 3.25 of the Commission's rules of practice for adjudicative proceedings.

Respondents, pursuant to the aforesaid agreement, have admitted all the jurisdictional facts alleged in the complaint, and have agreed that the record may be taken as if findings of jurisdictional facts had been made in accordance with such allegations. Said agreement further provides that respondents waive any further procedural steps before the hearing examiner and the Commission, the making