

IN THE MATTER OF

MASONER & BLOOM, INC., ET AL.

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

Docket 6930. Complaint, Nov. 6, 1957—Decision, Mar. 20, 1958

Consent order requiring furriers in San Francisco to cease violating the Fur Products Labeling Act by false advertising, invoicing, and labeling, in connection with the sale of fur products at auction by others pursuant to arrangements under which they furnished price lists and other invoice memoranda and affixed labels to fur products containing purported insurance valuations greatly in excess of their usual prices, which were used as the basis of public announcements and other forms of advertising.

Mr. John J. McNally for the Commission.

O'Connor, Moran, Cohn & Hall, by *Mr. David D. Ring*, of San Francisco, Calif., for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on November 6, 1957, charging respondents with misbranding and falsely and deceptively advertising and invoicing certain of their fur products, in violation of the Federal Trade Commission Act and of the Fur Products Labeling Act and the rules and regulations promulgated thereunder.

Thereafter, on January 13, 1958, respondents, their counsel, and counsel supporting the complaint herein entered into an agreement containing consent order to cease and desist, which was approved by the Director and the Assistant Director of the Commission's Bureau of Litigation, and thereafter submitted to the hearing examiner for consideration.

The agreement identifies respondent Masonek & Bloom, Inc., as a California corporation, with its office and principal place of business located at 140 Geary Street, San Francisco, Calif., and individual respondents Sanford Masonek and Charles L. Bloom as president, and as secretary and treasurer, respectively, of the corporate respondent. The agreement states that respondents Masonek and Bloom formulate, direct and control the acts, policies, and practices of the corporate respondent, and have the same business address as the corporate respondent.

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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 waive any further procedure before the hearing examiner and the Commission; the making of findings of fact and conclusions of law; and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement. 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, when it shall have become a part of the decision of the Commission, 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; that the complaint herein may be used in construing the terms of said order; and that the agreement is for settlement purposes only, and does not constitute an admission by the respondents that they have violated the law as alleged in the complaint.

After consideration of the allegations of 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, Masonek & Bloom, Inc., a corporation, and its officers, and Sanford Masonek and Charles L. Bloom, individually and as officers of said corporation, and Respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the sale, advertisement, offer for sale, transportation, or distribution in commerce of any fur product, or in connection with the sale, advertisement, offer 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:

1. Misbranding and falsely or deceptively advertising and invoicing fur products through the use of any label, advertisement, public an-

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nouncement, notice, invoice, or other memorandum, which is intended to aid, promote or assist, directly or indirectly, in the sale, or offering for sale of fur products, and which contains any representation as to value in excess of the price at which such products are usually sold by respondents in the regular course of their business;

2. Making use of any pricing claims or representations of the type referred to in paragraph (1) above unless there are maintained by respondents full and adequate records disclosing the facts upon which such claims are based;

3. 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 fur contained in a fur product;

(g) The item number or mark assigned to 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 20th day of March 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Masonek & Bloom, Inc., a corporation; Sanford Masonek, individually and as president of said corporation; and Charles L. Bloom, individually and as secretary and treasurer of 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.

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IN THE MATTER OF
NELS IRWIN TRADING AS SCREEN-PRINT
PRODUCTS CO.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket 6924. Complaint, Oct. 24, 1957—Decision, Mar. 21, 1958

Consent order requiring an individual in Los Angeles, Calif., engaged in the sale of screen-printing kits together with an instruction course in screen-printing, to cease making a variety of false representations in advertising to induce sale of his products, as to demand, opportunities and potential profits for screen-printers, special offers, prices, "approval," etc.

Mr. Edward F. Downs and Mr. Garland S. Ferguson for the Commission.

Mr. Henry Junge, of Chicago, Ill., for respondent.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

The complaint in this proceeding issued October 24, 1957, charges the respondent Nels Irwin, individually and trading and doing business as Screen-Print Products Co., located at 15133 South Broadway, Los Angeles, Calif., with violation of the provisions of the Federal Trade Commission Act in the sale and distribution of Screen-printing kits, together with an instruction course in screen-printing.

After the issuance of the complaint, respondent Nels Irwin, individually and trading and doing business as Screen-Print Products Co., entered into an agreement containing consent order to cease and desist with counsel in support of the complaint, disposing of all the issues in this proceeding, which agreement was duly approved by the director and assistant director of the Bureau of Litigation. It was expressly provided in said agreement that the signing thereof is for settlement purposes only and does not constitute an admission by respondent that he has violated the law as alleged in the complaint.

By the terms of said agreement, the said respondent admitted all the jurisdictional facts alleged in the complaint and agreed that the record herein may be taken as if the Commission had made findings of jurisdictional facts in accordance with the allegations.

By said agreement, the respondent 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 the