

Decision

IN THE MATTER OF
LURKIS FURS, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS*Docket 6917. Complaint, Oct. 17, 1957—Decision, Apr. 1, 1958*

Consent order requiring a furrier in Newark, N.J., to cease violating the Fur Products Labeling Act by removing required labels from fur products prior to delivery to the ultimate consumer; failing to comply with the invoicing and labeling requirements; and advertising fur products falsely as being from the stock of a liquidating business.

Mr. S. F. House for the Commission.

Parsonnet, Weitzman & Oransky, by *Mr. Samuel Weitzman*, of Newark, N.J., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with removal of labels from certain of its fur products, and with misbranding and falsely and deceptively invoicing and advertising said products, in violation of the Fur Products Labeling Act and the rules and regulations promulgated thereunder, and of the Federal Trade Commission Act.

After the issuance of the complaint, respondents, their counsel, and counsel supporting the complaint 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 transmitted to the hearing examiner for consideration.

The agreement states that respondent Lurkis Furs, Inc. is a corporation existing and doing business under and by virtue of the laws of the State of New Jersey, with its office and principal place of business located at 106 Halsey Street, Newark, N.J., and that respondent Jacob Lurkis is president of said corporation and formulates, directs and controls the acts, policies and practices thereof, his address being the same as that of the corporate respondent.

The agreement provides, among other things, that the 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; that 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; 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 the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; 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; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive 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 may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully disposes of all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Fur Products Labeling Act and the rules and regulations promulgated thereunder, and of the Federal Trade Commission Act. Accordingly, the hearing examiner finds this proceeding to be in the public interest, and accepts the agreement containing consent order to cease and desist as part of the record upon which this decision is based. Therefore,

It is ordered, That respondents Lurkis Furs, Inc., a corporation, and its officers and Jacob Lurkis, 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 into commerce, or the sale, advertising, offering for sale, transportation or distribution of fur products in commerce, 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:

1. Removing, or causing the removal, or participating in the removal of labels required to be affixed to fur products, prior to the time fur products are sold and delivered to the ultimate purchaser of such products;

2. Misbranding fur products by:

- (a) Failing to affix labels to fur products showing:

- (1) 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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(2) That the fur product contains or is composed of used fur, when such is the fact;

(3) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(4) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(5) 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;

(6) The name of the country of origin of any imported furs used in the fur product;

(b) Failing to show on labels attached to fur products the item numbers or marks assigned to fur products as required by rule 40(a) of the rules and regulations;

(c) Setting forth on labels affixed to fur products:

(1) Information required under § 4(2) of the Fur Products Labeling Act and the rules and regulations thereunder, in abbreviated form;

(2) Information required under § 4(2) of the Fur Products Labeling Act and the rules and regulations thereunder, which is intermingled with nonrequired information;

(3) Information required under § 4(2) of the Fur Products Labeling Act and the rules and regulations thereunder, in handwriting;

3. Falsely or deceptively invoicing fur products by:

(a) Failing to furnish invoices to purchasers of fur products showing:

(1) 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;

(2) That the fur product contains or is composed of used fur, when such is the fact;

(3) That the fur product contains or is composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

(4) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

(5) The name of the country of origin of any imported furs contained in a fur product;

(6) The name and address of the person issuing such invoice;

4. 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:

(a) Represents that any of such fur products are from the stock of a business in the state of liquidation, when such is not the fact.

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 1st day of April 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Lurkis Furs, Inc., a corporation, and Jacob Lurkis, individually and as an officer 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.

Decision

IN THE MATTER OF
CHELSEA SPORTSWEAR, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 6951. Complaint, Nov. 22, 1957—Decision, Apr. 1, 1958*

Consent order requiring a concern in New York City to cease selling rayon fabrics made to simulate wool, without adequately disclosing the true fiber content, and to cease placing in the hands of others for use in conjunction with said fabrics and garments made therefrom, tags, labels, and advertising matter which failed to disclose the rayon content.

Mr. Michael J. Vitale and Mr. Thomas A. Ziebarth for the Commission.
Mr. E. Fulton Brylawski, of Washington, D.C., for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

The complaint in this proceeding issued November 22, 1957, charges the respondents Chelsea Sportswear, Inc., a corporation, located at 525 Seventh Avenue, New York, N.Y., and Nat Cohen, individually and as an officer of said corporation, located at the same address as the corporate respondent, with violation of the provisions of the Federal Trade Commission Act in the manufacture, promotion, sale and distribution of garments made of certain rayon fabrics.

After the issuance of the complaint, respondents Chelsea Sportswear, Inc., a corporation, and Nat Cohen, individually and as an officer of said corporation, 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 respondents that they have violated the law as alleged in the complaint.

By the terms of said agreement, the said respondents 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 parties 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 rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.