

IN THE MATTER OF
H. LIEBES & CO. ET AL.

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

Docket 6960. Complaint, Nov. 25, 1957—Decision, Apr. 2, 1958

Consent order requiring furriers in San Francisco to cease violating the Fur Products Labeling Act by failing to invoice and label fur products as required; by advertising in newspapers which contained the names of animals other than those producing certain furs, set forth comparative prices without designating the time of the original prices, and represented that the selling prices were reduced from regular prices without maintaining adequate records disclosing the facts on which such pricing claims were based.

Mr. John J. McNally for the Commission.

McKinstry, Haber and Coombes, by *Mr. Peirce Coombes*, of San Francisco, Calif., for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on November 25, 1957, charging respondents with misbranding, falsely and deceptively invoicing, and falsely and deceptively advertising certain of their fur products, in violation of the Fur Products Labeling Act and the rules and regulations promulgated thereunder; such violations also constituting unfair and deceptive acts and practices in commerce, in violation of the Federal Trade Commission Act.

On January 24, 1958, 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 submitted to the hearing examiner for consideration.

Respondent H. Liebes & Co. is identified in the agreement as a California corporation, and respondents Sidney Liebes and Lloyd Liebes as individuals and as president, and vice president and secretary-treasurer, respectively, of the corporate respondent, all respondents having their offices and principal place of business at Geary and Grant Avenues, San Francisco, Calif.

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, in the agreement, waive any further procedure 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. 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 H. Liebes & Co., a corporation, and its officers, and Sidney Liebes and Lloyd Liebes, as individuals 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, 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. Misbranding fur products by:

1. 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 used fur, when such is the fact;

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

(d) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the 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, or transported or distributed it in commerce;

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

2. Setting forth on labels attached to fur products information required under §4(2) of the Fur Products Labeling Act and the rules and regulations thereunder, mingled with nonrequired information;

B. Falsely or deceptively invoicing fur products by:

1. Failure 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 the fact;

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

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

(e) The name and address of the person issuing such invoices;

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

C. 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:

1. Sets forth the name of an animal other than the name of the animal or animals producing the fur or furs contained in the fur product;

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 prices at which such products, in the recent regular course of business, has been usually and customarily sold by the respondents;

3. Makes use of comparative prices or savings claims unless such are based upon current market values or unless a bona fide price at a designated time is stated;

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4. Makes pricing claims and representations of the type referred to in subparagraphs 2 and 3 above, unless there are maintained by respondents full and adequate records disclosing the facts upon which such claims or representations are based, as required by rule 44(e) of the rules and regulations.

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 2d day of April 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents H. Liebes & Co. a corporation, and Sidney Liebes and Lloyd Liebes, individually and as officers 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

SHELL OIL CO., PREMIER CAB ASSOCIATION, INC., AND
WASHINGTON CAB ASSOCIATION, INC.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SECS.
2(a) AND 2(f) OF THE CLAYTON ACT*Docket 6698. Complaint, Dec. 26, 1956—Decision, Apr. 2, 1958*

Consent order requiring an oil company with principal office in New York City to cease violating section 2(a) of the Clayton Act by granting user discounts to two cab association customers in Washington, D.C., on gasoline resold to the public generally, and requiring the two cab associations to cease violating section 2(f) of the same act by knowingly inducing and receiving the user discounts on gasoline they resold to the public in competition with retail filling stations.

Mr. Brockman Horne and Mr. Leslie S. Miller for the Commission.

Mr. William F. Kenney and Mr. George S. Wolbert, Jr., of New York, N.Y., and Mr. William Simon, of Washington, D.C., for respondent Shell Oil Co.;

Hollowell, Pitts & Martin, by Mr. R. Logan Hollowell and Mr. Vaden S. Pitts, of Washington, D.C., for respondent Premier Cab Association, Inc.;

Sedgwick & Livingstone, by Mr. Paul J. Sedgwick and Mr. Frederick H. Livingstone, of Washington, D.C., for respondent Washington Cab Association, Inc.

COMPLAINT

Pursuant to the provisions of an act of Congress approved October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes" (The Clayton Act—U.S.C. Title 15, sec. 13), as amended, and by virtue of the authority vested in it by said act, the Federal Trade Commission, having reason to believe that the Shell Oil Co. has violated the provisions of subsection (a) of section 2 of said Clayton Act, as amended, and that the Premier Cab Association, Inc., a corporation, and the Washington Cab Association, Inc., a corporation, have violated the provisions of subsection (f) of section 2 of said Clayton Act, as amended, hereby issues its complaint stating its charges in this respect as follows:

Count I

PARAGRAPH 1. Respondent Shell Oil Co. is a corporation organized existing and doing business under and by virtue of the laws of the State of Delaware, with its principal office located at 50 W. 50th