

Decision

IN THE MATTER OF
GOLDRING'S INC.

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

Docket 6991. Complaint, Dec. 16, 1957—Decision, May 8, 1958

Consent order requiring a New York City furrier to cease violating the Fur Products Labeling Act by using fictitious prices in newspaper advertisements and on labels and failing to maintain adequate records as a basis for such advertised prices; by failing in advertising to reveal the names of fur-bearing animals, the country of origin of imported furs, or that certain furs were artificially colored; by mutilating attached labels; and by failing in other respects to comply with the labeling and invoicing requirements of the act.

Mr. S. F. House, counsel supporting the complaint.

Goldstein, Judd & Gurfein by *Mr. Saul A. Shames* of New York, N.Y. for respondent.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On December 16, 1957, the Federal Trade Commission issued a complaint charging Goldring, Inc.,¹ a corporation, hereinafter called respondent, with misbranding, falsely and deceptively invoicing and advertising fur products in violation of the Federal Trade Commission Act and the Fur Products Labeling Act.

After issuance and service of the complaint, the respondent, its counsel and counsel supporting the complaint entered into an agreement for a consent order. The order disposes of the matters complained about. The agreement has been approved by the Director and Assistant Director of the Bureau of Litigation.

The pertinent provisions of said agreement are as follows: The respondent admits all jurisdictional facts; the complaint may be used in construing the terms of the order; the order shall have the same force and effect as if entered after a full hearing and the said agreement shall not become a part of the official record of the proceeding unless and until it becomes a part of the decision of the Commission; the record herein shall consist solely of the complaint and the agreement; respondent waives the requirement that the decision must contain a statement of findings of fact and conclusion of law; respondent waives further procedural steps before the hearing examiner and the Commission, and the order may be altered, modified, or set aside

¹ Incorrectly identified in the complaint as Goldring's Inc.

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in the manner provided by statute for other orders; respondent waives any right to challenge or contest the validity of the order entered in accordance with the agreement and the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that it has violated the law as alleged in the complaint.

The undersigned hearing examiner having considered the agreement and proposed order and being of the opinion that the acceptance thereof will be in the public interest, hereby accepts such agreement, makes the following jurisdictional findings, and issues the following order:

JURISDICTIONAL FINDINGS

1. Respondent, Goldring, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 500 Seventh Avenue, New York, N.Y.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Goldring, Inc., a corporation and its officers, 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 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) Representing on labels affixed to the fur products or in any other manner, that certain amounts are its regular and usual prices of fur products when such amounts are in excess of the prices at which respondent usually and customarily sold such products in the recent regular course of its business.

(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

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Name Guide and as prescribed by the rules and regulations promulgated under the Fur Products Labeling Act;

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, 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. Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations thereunder mingled with nonrequired information.

b. Information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations thereunder in handwriting.

(4) Failure to show on labels attached to fur products an item number or mark assigned to fur products as required by rule 40(a) of the rules and regulations.

B. Mutilating or participating in the mutilation of labels required by the Fur Products Labeling Act to be affixed to fur products, prior to the time any fur product is sold and delivered to the ultimate consumer.

C. 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 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 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 invoice;

f. The name of the country of origin of any imported furs, contained in a fur product.

(2) Setting forth information required under section 5(b) (1) of the Fur Products Labeling Act and the rules and regulations thereunder in abbreviated form.

D. 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) Fails to disclose:

a. The name or names of the animal or animals which produced the fur or furs contained in the fur products, as set forth in the Fur Products Name Guide and as prescribed under the said rules and regulations;

b. That the fur products contain or are composed of bleached, dyed, or otherwise artificially colored fur, when such is the fact;

c. The name of the country of origin of any imported furs contained in a fur product;

d. All the information required under section 5(a) of the Fur Products Labeling Act and the rules and regulations thereunder in close proximity with each other and in type of equal type and conspicuousness.

(2) Represents directly or by implication that its regular or usual price of any fur product, is any amount which is in excess of the price at which the respondent has usually and customarily sold such products in the recent and regular course of its business.

(3) Represents directly or by implication through percentage savings claims, that its regular or usual retail prices charged by respondent for fur products in the recent regular course of its business, are reduced in direct proportion to the amounts of savings stated, when contrary to the fact.

E. Making price claims and representations of the types referred to in paragraph D2 and D3 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 8th day of May, 1958, become the decision of the Commission; and, accordingly:

It is ordered, That the respondent, Goldring, Inc. (incorrectly

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identified in the complaint as Goldring's, Inc.), herein shall within sixty (60) days after service upon it of this order, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with the order to cease and desist.

IN THE MATTER OF
ISIDORE FUCHS, INC., ET AL.

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

Docket 6882. Complaint, Sept. 11, 1957—Decision, May 9, 1958

Consent order requiring a furrier in New York City to cease violating the
Fur Products Labeling Act by failing to invoice certain fur products
as required.

Mr. Morton Nesmith and Mr. John J. Mathias for the Commission.
Mr. Isidore Fuchs, of Brooklyn, N.Y., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with falsely and deceptively invoicing 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.

After the issuance of the complaint, respondents and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the Director and an Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the hearing examiner for consideration.

The agreement identifies respondent Isidore Fuchs, Inc. as a New York corporation, whose address is 214 West 29th Street, New York, N.Y.; and respondent Isidore Fuchs as the principal officer of said corporation, having his address at 3255 Shore Parkway, Brooklyn, N.Y. The agreement states that the individual respondent, Isidore Fuchs, formulates, directs and controls the acts, practices and policies of the said corporate respondent.

The agreement provides, among other things, that 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 ad-