

Decision

IN THE MATTER OF
KANTROWITZ & NEIDITCH, INC., DOING BUSINESS AS
CONNECTICUT FURRIERS OF HARTFORD ET AL.

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

Docket 6975. Complaint, Dec. 11, 1957—Decision, May 9, 1958

Consent order requiring furriers in Hartford, Conn., to cease violating the Fur Products Labeling Act by advertising in newspapers which did not identify the animals producing certain furs or disclose when furs were artificially colored, and which advertised comparative prices not based on current market values; by failing to keep adequate records as a basis for such pricing claims; and by failing in other respects to comply with the invoicing and labeling requirements of the Act.

Thomas A. Ziebarth, Esq., for the Commission.

Charles Gold, Esq., of New York, N.Y., for the respondents.

INITIAL DECISION BY JAMES A. PURCELL, HEARING EXAMINER

The complaint in this proceeding, issued December 11, 1957, charges respondents Kantrowitz & Neiditch, Inc., a corporation, and Samuel Kantrowitz and Israel Neiditch, individually and as officers of the respondent corporation, with violation of the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act and the rules and regulations promulgated under the last named Act, in connection with the sale, advertising and offering for sale, transportation and distribution, shipping and receiving in commerce, of fur and fur products, as the designations "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act.

After the issuance of said complaint respondents, on February 25, 1958, entered into an agreement for a consent order with counsel in support of the complaint, disposing of all of the issues in this proceeding, which agreement was duly approved by the Director and Assistant Director of the Bureau of Litigation of the Federal Trade Commission. 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 respondents admitted all of the jurisdictional allegations of the complaint and agreed that the record herein may be taken as though the Commission had made

findings of jurisdictional facts in accordance with such allegations. By said agreement the parties expressly waived a hearing before the hearing examiner or the Commission, the making of findings of fact or conclusions of law by the hearing examiner or the Commission, the filing of exceptions and oral argument before the Commission, and all further and other procedure before the hearing examiner and the Commission to which the respondents may otherwise be entitled under the Federal Trade Commission Act or the rules of practice of the Commission.

By said agreement, respondents further agreed that the order to cease and desist issued in accordance with said agreement shall have the same force and effect as though made after a full hearing, presentation of evidence and findings and conclusions thereon, and specifically waived any and all right, power or privilege to challenge or contest the validity of such order.

It was further provided that said agreement, together with the complaint, shall constitute the entire record herein; that the complaint herein may be used in construing the terms of the order issued pursuant to said agreement; and that the said order may be altered, modified or set aside in the manner provided by statute for other orders of the Commission.

Said agreement recites that respondent Kantrowitz & Neiditch, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Connecticut, with its office and principal place of business located at 90 Church Street, Hartford, Conn. It does business as Connecticut Furriers of Hartford. Respondents Samuel Kantrowitz and Israel Neiditch are individuals and are, respectively, president and secretary-treasurer of the corporate respondent and have the same address as said corporate respondent.

The hearing examiner has considered such agreement and the order therein contained, and, it appearing that said agreement and order provides for an appropriate disposition of this proceeding, the same is hereby accepted and, without further notice to respondents, is ordered filed upon becoming part of the Commission's decision in accordance with sections 3.21 and 3.25 of the rules of practice, and in consonance with the terms of said agreement, the hearing examiner finds that the Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of all the respondents named herein, and that this proceeding is in the interest of the public, wherefore he issues the following order:

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Order

ORDER

It is ordered, That respondents Kantrowitz & Neiditch, a corporation, whether trading under its own name, as Connecticut Furriers of Hartford, or under any other trade name, and its officers; and Samuel Kantrowitz and Israel Neiditch, 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, 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 products" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

1. 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;

(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 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;

(7) The item number or mark assigned to a fur product.

2. Setting forth on labels affixed to fur products information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder which is mingled with nonrequired information.

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 the paws, tails, bellies, or waste fur, when such is the fact;

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

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

(7) The item number or mark assigned to a fur product.

4. Falsely or deceptively advertising fur products through the use of any advertisement, 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. Fails to disclose:

(1) 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;

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

5. Makes use of comparative pricing claims in advertisements unless such compared prices are based upon the current market value of the fur product or upon a bona fide compared price at a designated time.

6. Makes pricing claims and representations of the types referred to in paragraph 5 above, unless there are maintained by respondents 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 9th day of May 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.

Decision

IN THE MATTER OF
HARRY WEISS DOING BUSINESS AS IDEAL BRUSH
MANUFACTURING CO.

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

Docket 6832. Complaint, July 8, 1957—Decision, May 10, 1958

Consent order requiring a distributor in North Hollywood, Calif., of paint brushes to wholesalers and dealers, to cease using the abbreviation "Mfg." and the word "Manufacturing" in his trade name and on his merchandise, letterheads, invoices, guarantees, in trade show programs, and on display cards furnished to dealers, and thereby representing falsely that he owned or operated a factory in which his merchandise was manufactured.

Mr. Michael J. Vitale and *Mr. Arthur B. Edgeworth* for the Commission.

Mr. U. R. Gerecht, of Los Angeles, Calif., for respondent.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondent with falsely and deceptively representing, by the use of the abbreviation "Mfg." and the word "Manufacturing," that he owns, operates, or controls a factory or factories wherein the paint brushes which he sells and distributes are manufactured, in violation of the provisions of the Federal Trade Commission Act.

After the issuance of the complaint, respondent, his counsel, 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 Harry Weiss as an individual trading and doing business as Ideal Brush Manufacturing Co., with his office and principal place of business located at 3791 Cahuenga Boulevard, North Hollywood, Calif.

The agreement provides, among other things, that respondent admits all the jurisdictional facts alleged in the complaint, and agrees 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