

Decision

IN THE MATTER OF
SIBLEY, LINDSAY & CURR CO.

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

Docket 7160. Complaint, May 27, 1958—Decision, Sept. 24, 1958

Consent order requiring a furrier in Rochester, N.Y., to cease violating the Fur Products Labeling Act by advertising in letters with price lists and sales admission tickets enclosed, offering purported reductions from prices which were in fact fictitious, and setting out false comparative prices and percentage savings claims; and by failing to maintain adequate records as a basis for such pricing claims.

Mr. John J. Mathias, for the Commission.

Gould & Wilkie, of New York, N.Y., for respondent.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes also hereinafter referred to as the Commission) issued its complaint herein, charging the above-named respondent with having violated the provisions of both the Federal Trade Commission Act and the Fur Products Labeling Act, together with the Rules and Regulations promulgated thereunder. The respondent was duly served with process.

On July 30, 1958, there was submitted to the undersigned hearing examiner of the Commission for his consideration and approval an "Agreement Containing Consent Order to Cease and Desist," which had been entered into by and between respondent and the attorneys for both parties, under date of July 22, 1958, subject to the approval of the Bureau of Litigation of the Commission, which had subsequently duly approved the same.

On due consideration of such agreement, the hearing examiner finds that said agreement, both in form and in content, is in accord with §3.25 of the Commission's Rules of Practice for Adjudicative Proceedings, and that by said agreement the parties have specifically agreed to the following matters:

1. Respondent is a corporation organized, existing and doing business under the laws of the State of New York, with officers and principal place of business located at 250 East Main Street, Rochester 4, N.Y.

2. Pursuant to the provisions of the Federal Trade Commis-

Decision

55 F.T.C.

sion Act and the Fur Products Labeling Act, the Federal Trade Commission, on May 27, 1958, issued its complaint in this proceeding against respondent, and a true copy was thereafter duly served on respondent.

3. 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.

4. This agreement disposes of all of this proceeding as to all parties.

5. Respondent waives:

(a) Any further procedural steps before the hearing examiner and the Commission;

(b) The making of findings of fact or conclusions of law; and

(c) All of the rights it may have to challenge or contest the validity of the order to cease and desist entered in accordance with this agreement.

6. 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.

7. This agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission.

8. This 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.

9. The following order to cease and desist may be entered in this proceeding by the Commission without further notice to respondent. When so entered it shall have the same force and effect as if entered after a full hearing. It may be altered, modified or set aside in the manner provided for other orders. The complaint may be used in construing the terms of the order.

Upon due consideration of the complaint filed herein and the said "Agreement Containing Consent Order to Cease and Desist," said agreement is hereby approved and accepted and is ordered filed if and when said agreement shall have become a part of the Commission's decision. The hearing examiner finds from the complaint and the said agreement that the Commission has jurisdiction of the subject matter of this proceeding and of the person of the respondent herein; that the complaint states legal causes for complaint under both the Federal Trade Commission Act and the Fur Products Labeling Act, together with

455

Decision

the Rules and Regulations promulgated thereunder; that this proceeding is in the interest of the public; that the following order as proposed in said agreement is appropriate for the just disposition of all the issues in this proceeding as to all of the parties hereto; and that said order, therefore, should be and hereby is entered as follows:

ORDER

It is ordered, That respondent, Sibley, Lindsay & Curr Co., 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, offering for sale, 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 are made in whole or in part of fur which has been shipped or received in commerce, as "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. 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. Offers fur products at a purported reduction in price when such purported reduction is in fact fictitious;

2. Uses comparative prices and percentage savings claims based upon a designated time of compared price when the designated time of compared price is not correctly stated.

B. Making use in advertisements of price reduction claims, comparative prices or percentage savings claims unless full and adequate records are maintained by respondent 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 24th day of September 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondent Sibley, Lindsay & Curr Co., a

Decision

55 F.T.C.

corporation, 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.

Decision

IN THE MATTER OF
JOHN M. O'LANE ET AL. DOING BUSINESS AS
UNIVERSAL SYSTEMS, LTD.

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

Docket 7086. Complaint, Jan. 14, 1958—Decision, Sept. 25, 1958

Consent order requiring sellers in Santa Cruz, Calif., to cease representing falsely in newspaper advertising or by their salesmen that their correspondence course was a complete course in reweaving and upholstery repair, was a new method using specially designed instruments, easily learned, qualifying one to earn a living and to earn specified amounts per hour and per week; and that they would limit trainees in a community and provide customers for those completing the course.

Mr. John J. McNally, for the Commission.

Mr. C. C. Chambers, of Seattle, Wash., for respondents.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes also hereinafter referred to as the Commission) on January 14, 1958, issued its complaint herein, charging the above-named respondents with having violated the provisions of the Federal Trade Commission Act, and the respondents were duly served with process.

On July 3, 1958, there was submitted to the undersigned hearing examiner of the Commission for his consideration and approval an "Agreement Containing Consent Order to Cease and Desist," which had been entered into by and between respondents and the attorneys for both parties, under date of June 19, 1958, subject to the approval of the Bureau of Litigation of the Commission, which had subsequently duly approved the same.

On due consideration of such agreement, the hearing examiner finds that said agreement, both in form and in content, is in accord with §3.25 of the Commission's Rules of Practice for Adjudicative Proceedings, and that by said agreement the parties have specifically agreed to the following matters:

1. Respondents John M. O'Lane and Bernice O'Lane are individuals and copartners doing business as Universal Systems, Ltd. with their office and principal place of business located at 2044 North Pacific Avenue, Santa Cruz, Calif.
2. Pursuant to the provisions of the Federal Trade Commission