

IN THE MATTER OF
LA BELLE SILVER COMPANY, INC., ET AL.

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

Docket 7031. Complaint, Jan. 14, 1958—Decision, Oct. 14, 1958

Consent order requiring a manufacturer of small electrical appliances in Glendale, L.I., N.Y., to cease representing falsely in advertising matter and on labels, price tags, and cartons disseminated for use in the retail sale of its percolators and blenders, that grossly exaggerated prices were the retail selling prices, that certain of their percolators were trimmed in 24 karat "Warranted Gold Plate," and—through prominent use of the words "General Electric"—that its said products were manufactured by the General Electric Company.

Ames W. Williams supporting the complaint.

Lillian L. Poses, of New York, N.Y., for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER,
HEARING EXAMINER

On January 14, 1958, the Federal Trade Commission issued a complaint alleging that La Belle Silver Company, Inc., a corporation, Simon Cantor, Armand Weinberger, Eugene Singer, and Harry Orol, individually and as officers of said corporation, hereinafter referred to as respondents, had violated the provisions of the Federal Trade Commission Act by making false, misleading and deceptive statements and representations concerning their products, small electrical appliances, including percolators and blenders, which they manufacture and offer for sale.

After issuance and service of the complaint, the respondents, their 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: Respondents admit 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

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complaint and the agreement; respondents waive the requirement that the decision must contain a statement of findings of fact and conclusions of law; respondents waive further procedural steps before the hearing examiner and the Commission, and the order may be altered, modified, or set aside in the manner provided by statute for other orders; respondents waive 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 respondents that they have 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 La Belle Silver Company, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at Cooper Avenue and 80th Street, Glendale, Long Island, N.Y.

2. Respondents Simon Cantor, Armand Weinberger, Eugene Singer, and Harry Orol are individuals and officers of the said corporate respondent, serving respectively as president, vice president, treasurer and secretary, with their office and principal place of business located at the same place as that of the corporate respondent.

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

ORDER

It is ordered, That respondents, La Belle Silver Company, Inc., a corporation, and its officers, and Simon Cantor, Armand Weinberger, Eugene Singer, and Harry Orol, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of small electrical appliances, including percolators or blenders, or any other products, in commerce as "commerce"

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is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or indirectly:

(a) That any stated price, which is in excess of the price at which such products are regularly and usually sold at retail, is the retail price of such products.

(b) That merchandise is gold plated, unless it has a surface plating of gold or gold alloy applied by a mechanical process provided, however, that a product or part thereof, on which there has been affixed by an electrolytic process a coating of gold, or a gold alloy of not less than 10 karat fineness, the minimum thickness of which is equivalent to seven one-millionths of an inch of fine gold, may be marked or described as gold electroplate or gold electroplated.

2. Using the name of any company in connection with merchandise which has not been manufactured in its entirety by said company; or representing, directly or indirectly; that merchandise not manufactured in its entirety by a specified company, was so manufactured, provided, however, that this prohibition shall not be construed as preventing a truthful statement that a part of an article of merchandise has been manufactured by a specific company when such part is clearly and conspicuously identified.

3. Furnishing means or instrumentalities to retailers, distributors or others by or through which they may mislead the public with respect to any of the matters set out in the paragraphs above.

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 14th day of October 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
RICH'S, INC.

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

Docket 7159. Complaint, May 27, 1958—Decision, Oct. 14, 1958

Consent order requiring a furrier in Atlanta, Ga., to cease violating the
invoicing and advertising requirements of the Fur Products Labeling Act.

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

*Parker and Parker, by Benjamin M. Parker, Esq., of Atlanta,
Ga., for respondents.*

INITIAL DECISION BY ROBERT L. PIPER,
HEARING EXAMINER

The Federal Trade Commission issued its complaint against the
above-named respondent on May 27, 1958, charging it with having
violated the Fur Products Labeling Act, the rules and regulations
issued thereunder, and the Federal Trade Commission Act, by
misbranding and falsely representing its fur products. Respond-
ent appeared by counsel and entered into an agreement, dated
August 15, 1958, containing a consent order to cease and desist,
disposing of all the issues in this proceeding without further
hearings, which agreement has been duly approved by the Director
of the Bureau of Litigation. Said agreement has been submitted
to the undersigned, heretofore duly designated to act as hearing
examiner herein, for his consideration in accordance with §3.25
of the Rules of Practice of the Commission.

Respondent, pursuant to the aforesaid agreement, has admitted
all of the jurisdictional allegations of the complaint and agreed
that the record may be taken as if findings of jurisdictional
facts had been made duly in accordance with such allegations.
Said agreement further provides that respondent waives all
further procedural steps before the hearing examiner or the Com-
mission, including the making of findings of fact or conclusions
of law and the right to challenge or contest the validity of the
order to cease and desist entered in accordance with such agree-
ment. It has also been agreed that the record herein shall consist
solely of the complaint and said agreement, that the agreement
shall not become a part of the official record unless and until it