

Decision

IN THE MATTER OF
GITTELMAN'S SONS, INC., ET AL.

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

Docket 7161. Complaint, May 27, 1958—Decision, Oct. 29, 1958

Consent order requiring a Philadelphia furrier to cease violating the labeling, invoicing, and advertising provisions of the Fur Products Labeling Act.

Mr. John J. Mathias, for the Commission.

Mr. Nathan L. Posner, of *Fox, Rothschild, O'Brien & Frankel*, of Philadelphia, Pa., for respondents.

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 respondents 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, and the respondents were duly served with process.

On September 11, 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 September 8, 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 Gittelman's Sons, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business located at 1212 Chestnut Street, in the city of Philadelphia, State of Pennsylvania. Respondents Richard Gittelman, Morton Gittelman and William J. Welding are officers of said corporation. These individuals dominate, control and direct

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the policies, acts and practices of said corporation. The address of the individual respondents is the same as that of the corporate respondent.

2. Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, the Federal Trade Commission, on May 27, 1958, issued its complaint in this proceeding against respondents, and a true copy was thereafter duly served on each respondent.

3. 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.

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

5. Respondents waive:

(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 they 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 respondents that they have 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 respondents. 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," the latter is hereby approved, accepted and ordered filed, the same not to become a part of the record herein, however, unless and until it becomes part of the decision of the Commission. The hearing examiner finds from the complaint and the said "Agree-

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ment Containing Consent Order to Cease and Desist," that the Commission has jurisdiction of the subject matter of this proceeding and of the persons of each of the respondents herein; that the complaint states a legal cause for complaint under the Federal Trade Commission Act and the Fur Products Labeling Act and the Rules and Regulations promulgated by the Commission under the latter Act, against each of the respondents both generally and in each of the particulars alleged therein; 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 of 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 the respondent Gittelman's Sons, Inc., a corporation, and its officers, and respondents Richard Gittelman, Morton Gittelman and William J. Welding, 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 manufacture for introduction into commerce, or the sale, advertising, offering for sale, transportation, or distribution of fur products in commerce, or in connection with the manufacture for sale, 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. 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;

(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;

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(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, 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:

(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 abbreviated form.

3. Failing to set forth an item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing fur products by:

1. Failing 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 person issuing such invoices;

(f) The name of the country of origin of any imported furs contained in the fur product.

2. Setting forth information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in an abbreviated form.

3. Failing to set forth an item number or mark assigned to 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

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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 which are based on a designated time of compared price when the designated time of compared price is not correctly stated.

D. Making use in advertisements of price reduction claims, comparative prices, or percentage savings claims unless full and adequate records are maintained by respondents 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 29th day of October 1958, become the decision of the Commission; and, accordingly:

It is ordered, That the above-named respondents 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.

IN THE MATTER OF
H. P. SELMAN & COMPANY, INC., ET AL.

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

Docket 7173. Complaint, June 11, 1958—Decision, Oct. 29, 1958

Consent order requiring furriers in Louisville, Ky., to cease violating the labeling, invoicing, and advertising provisions of the Fur Products Labeling Act.

Mr. John T. Walker for the Commission.

Greenebaum, Barnett and Wood, by *Mr. S. C. Greenebaum*, of Louisville, Ky., for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on June 11, 1958, charging respondents with violating the Fur Products Labeling Act, the Rules and Regulations promulgated thereunder, and the Federal Trade Commission Act, by misbranding their fur products, in some instances by failing to attach required labels thereto, and in other instances by failing to set forth on labels the required information, by abbreviating such information, mingling it with nonrequired information, or setting it forth on the labels in handwriting, or not separately with respect to each section of fur products composed of two or more sections containing different animal furs. Respondents were further charged with violating said Acts by falsely and deceptively invoicing their fur products with respect to the name of the animal which produced the fur from which such products had been manufactured, and by setting forth such information in abbreviated form, and omitting required item numbers. Further, respondents were charged with violating said Acts by falsely and deceptively advertising their fur products, by failing to disclose, among other things, the name of the animal that produced the fur contained therein, the fact that their fur products were composed of bleached, dyed or otherwise artificially colored fur, and the name of the country of origin of the imported furs contained in such products. Respondents were also charged with violating said Acts by misrepresenting, in their advertisements, the regular and usual prices of their fur products; by the use of fictitious percentage savings claims; by failure to give a designated time of a bona fide com-