

Decision

IN THE MATTER OF
CANADIAN FUR COMPANY ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS*Docket 7246. Complaint, Sept. 4, 1958—Decision, Dec. 17, 1958*

Consent order requiring furriers in Springfield, Mass., to cease violating the Fur Products Labeling Act by advertising in newspapers which failed to disclose the names of animals producing certain furs, or that certain products contained artificially colored fur, or to set forth the description "dyed mouton-processed lamb" as required; which represented prices as reduced from regular prices which were in fact fictitious, or as affording percentage savings not in accord with the facts, and falsely represented certain fur products as from stock being liquidated in a "Removal Sale"; and by failing to comply with the invoicing requirements.

Mr. S. F. House for the Commission.

Mr. Benjamin D. Novak, of Springfield, Mass., for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

The complaint in this proceeding issued September 4, 1958, charged respondents Canadian Fur Company, a corporation, located at 272 Bridge Street, Springfield, Mass., and Carl Riner and Harold Riner, individually and as officers of said corporation, their address being the same as that of the corporate respondent, with the use of unfair and deceptive acts and practices in interstate commerce in violation of the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder.

After the issuance of the complaint, respondents entered into an agreement containing consent order to cease and desist with counsel in support of the complaint, disposing of all the issues in this proceeding, which agreement was duly approved by the director and assistant director of the Bureau of Litigation.

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 the jurisdictional facts alleged in the complaint and agreed that the record herein may be taken as if the Commission had made findings of jurisdictional facts in accordance with the allegations.

Order

55 F.T.C.

By said agreement, the parties expressly waived any further procedural steps before the hearing examiner and the Commission; the making of findings of fact or conclusions of law; and all the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the 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 if made after a full hearing.

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 said order may be altered, modified or set aside in the manner prescribed by the statute for orders of the Commission.

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 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 the respondents named herein, that this proceeding is in the interest of the public, and issues the following order:

ORDER

It is ordered, That respondent Canadian Fur Company, a corporation, and its officers, and Carl Riner and Harold Riner, individually and as officers of said corporation, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, sale, advertising, 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

877

Order

any other manner that certain amounts are the regular and usual prices of fur products when such amounts are in excess of the prices at which respondents usually and customarily have sold such products in the recent regular course of their business.

(2) Failing to affix labels to fur products showing:

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

B. Falsely or deceptively invoicing fur products by:

(1) Failing to furnish purchasers of fur products invoices 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 the person issuing such invoice;

(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 thereunder in abbreviated form.

(3) Failing to set forth the description "dyed mouton processed lamb" in the manner required by law.

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 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 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 bleached, dyed or otherwise artificially colored fur, when such is the fact.

(2) Fails to set forth the description "dyed mouton processed lamb" in the manner required by law.

(3) Sets forth information required under Section 5(a) (1) of

Decision

55 F.T.C.

the Fur Products Labeling Act and the Rules and Regulations thereunder in abbreviated form.

(4) Represents, directly or by implication, that the regular or usual price of any fur product is any amount which is in excess of the price at which the respondents have usually and customarily sold such product in the recent and regular course of their business.

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

(6) Represents, directly or by implication, that certain fur products are part of the regular stock of the business, and not secured or purchased for purpose of a "Removal Sale" or other such special sale, when such is the fact.

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 17th day of December 1958, become the decision of the Commission; and, accordingly:

It is ordered, That 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
ATLAS ROSE FARMS, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 6896. Complaint, Sept. 27, 1957—Decision, Dec. 18, 1958*

Consent order requiring Brooklyn, N.Y., sellers of rose bushes which had been used in the commercial greenhouse production of cut flowers under forced growing conditions, to cease representing falsely in newspaper advertising and in statements on packages that their roses were strong first-grade plants, certified as vigorous and tested for proven merit by a State agency, and packed by one of America's leading nurseries; to cease representing falsely, through use of the word "Farms" in their corporate name that they grew the roses they sold; and to cease representing falsely, by labels attached to the individual rose bushes and packages containing them, that each rose was of a particular variety and that the bloom would be of the color specified.

Mr. Charles W. O'Connell and Mr. John W. Brookfield, Jr.,
for the Commission.

Samuel Bonom and Philip Wolfson of Brooklyn, N.Y., by
Mr. Philip Wolfson, for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on September 27, 1957, charging respondents with making false representations, in connection with the sale and distribution of rose bushes, that such roses were strong, first-grade plants; that each rose bush had been inspected by a State agency and certified as vigorous and tested for proven merit; and that said rose bushes had been packed by one of America's leading nurseries. Respondents were further charged with failing to reveal that the rose bushes sold and distributed by them had been used for two to three years in the commercial production of cut flowers in greenhouses under forced growing conditions, which material fact was not disclosed in respondents' newspaper advertising, nor in printed statements on the packages in which said rose bushes were packed for sale by respondents. Respondents were also charged with falsely representing, through the use of the word "Farms" as part of the respondent corporation's name, that they maintain a farm on which they grow the rose bushes offered for sale and sold by them; and, further, that they have misrepresented said rose bushes by