

Decision

IN THE MATTER OF
ADAM, MELDRUM & ANDERSON COMPANY, INC.

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

Docket 7340. Complaint, Dec. 29, 1958—Decision, May 13, 1959

Consent order requiring a Buffalo, N.Y., furrier to cease violating the Fur Products Labeling Act by failing to set forth in invoices the terms "Persian Lamb," "Dyed Mouton-processed Lamb," and "dyed Broadtail-processed Lamb," and failing in other respects to comply with labeling and invoicing requirements; and by newspaper advertising which failed to disclose the names of animals producing certain furs or the country of origin, the fact that some fur products contained artificially colored or cheap or waste fur; which named other animals than those producing the fur in some products; and which represented prices as reduced from regular prices which were in fact fictitious, or as reduced by certain percentages when such was not true.

Mr. Alvin D. Edelson for the Commission.

Mr. John F. Connelly, of Buffalo, N.Y., for respondent.

INITIAL DECISION BY WALTER R. JOHNSON, HEARING EXAMINER

In the complaint dated December 29, 1958, the respondent is charged with violating the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act and the Rules and Regulations made pursuant thereto.

On February 12, 1958, the respondent and his attorney entered into an agreement with counsel in support of the complaint for a consent order.

Under the agreement, respondent admits the jurisdictional facts alleged in the complaint. The parties agree, among other things, that the cease and desist order there set forth may be entered without further notice and have the same force and effect as if entered after a full hearing, and the document includes a waiver by respondent of all rights to challenge or contest the validity of the order issuing in accordance therewith. The 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.

The hearing examiner finds that the content of the agreement meets all of the requirements of Section 3.25(b) of the Rules of the Commission.

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The hearing examiner being of the opinion that the agreement and the proposed order provide an appropriate basis for disposition of this proceeding as to all of the parties, the agreement is hereby accepted and it is ordered that the 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 following jurisdictional findings are made and the following order issued.

1. Respondent Adam, Meldrum & Anderson Company, Inc., is a corporation organized, 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 404 Main Street, Buffalo, N.Y.

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

ORDER

It is ordered, That respondent Adam, Meldrum & Anderson Company, Inc., 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 or 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 and received in commerce, as "commerce," "fur" and "fur product" 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 otherwise 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;

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(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 contained in a fur product;

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

B. Setting forth on labels affixed to fur products:

(1) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form;

(2) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations thereunder, mingled with nonrequired information.

(3) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting.

C. Failing to set forth the information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in the required sequence.

2. 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 products 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 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.

B. Falsely or deceptively or otherwise identifying fur products as to the name or names of the animal or animals that produced the fur from which such products were manufactured.

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

D. Failing to set forth the term "Persian Lamb" in the manner required by law.

E. Failing to set forth the term "Dyed Mouton-processed Lamb" in the manner required by law.

F. Failing to set forth the term "Dyed Broadtail-processed Lamb" in the manner required by law.

3. 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:

A. Fails to disclose:

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

(3) That the fur product is composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such is the fact;

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

B. Sets forth the name or names of any animal or animals other than the name or names specified in Section 5(a) (1) of the Fur Products Labeling Act.

C. Fails to set forth the term "Dyed Mouton-processed Lamb" in the manner required by law.

D. Fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required by law.

E. Fails to disclose that fur products are composed in whole or in substantial part of flanks, when such is the fact.

F. 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 respondent has usually and customarily sold such products in the recent regular course of business.

G. Represents, directly or by implication, through percentage savings claims that the regular or usual retail prices charged

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by respondent for fur products in the recent regular course of business were reduced in direct proportion to the amount of savings stated, when contrary to fact.

ORDER REOPENING PROCEEDING AND AMENDING
DECISION OF THE COMMISSION

It appearing that the Commission by order issued April 23, 1959, adopted as its own decision the hearing examiner's initial decision in this proceeding and directed the respondent, within sixty (60) days after service upon it of said order, to file a report of compliance with the order contained in said initial decision; and

It further appearing that the initial decision was deficient in that it failed to incorporate the substance of certain pertinent provisions of the consent order agreement on the basis of which it was issued; and

The Commission being of the opinion that such deficiency should be corrected:

It is ordered, That this proceeding be, and it hereby is, reopened.

It is further ordered, That the aforesaid decision be, and it hereby is, amended by inserting between the second and third paragraphs thereof the following paragraph:

Under the agreement, respondent admits the jurisdictional facts alleged in the complaint. The parties agree, among other things, that the cease and desist order there set forth may be entered without further notice and have the same force and effect as if entered after a full hearing, and the document includes a waiver by respondent of all rights to challenge or contest the validity of the order issuing in accordance therewith. The 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.

It is further ordered, That the respondent Adam, Meldrum & Anderson Company, Inc., 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.

IN THE MATTER OF
WILLARD W. ROGERS ET AL.
TRADING AS BUSINESS BUYERS SERVICE

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

Docket 7342. Complaint, Dec. 29, 1958—Decision, May 13, 1959

Consent order requiring a partnership in Sioux Falls, S. Dak., to cease obtaining real estate listings and charging inflated fees through such misrepresentations as those in the order below set forth.

Mr. Thomas A. Ziebarth supporting the complaint.

Mr. C. L. Anderson of *Anderson & Weisensee*, of Sioux Falls, S. Dak., for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On December 29, 1958, the Federal Trade Commission issued a complaint charging Willard W. Rogers and Dean L. Wilde, individually and as copartners trading as Business Buyers Service, hereinafter referred to as respondents, with false, misleading and deceptive statements in the course and conduct of their business of soliciting the listing for sale and advertising of real estate and other property.

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 hearing examiner finds that the provisions of the agreement comply with all mandatory requirements of Section 3.25 (b) of the Rules of Practice for Adjudicative Proceedings.

The 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. The respondents Willard W. Rogers and Dean L. Wilde are individuals and copartners trading as Business Buyers Service, with their office and principal place of business located at 302 Syndicate Building, Sioux Falls, S. Dak.