

Decision

IN THE MATTER OF
LOUIS WEINGEROFF ET AL.
DOING BUSINESS AS WEINGEROFF & SON

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

Docket 7367. Complaint, Jan. 22, 1959—Decision, May 27, 1959

Consent order requiring manufacturers and distributors in Providence, R.I., engaged in the sale of sets of their own costume jewelry packaged with pens and pencils purchased from Waterman Pen Co., Inc., to cease stamping the name "Waterman's" and the company's trade-mark on the display box and an insert; representing falsely on a "seal" type insert in the display box that the contents were "24 Kt Gold Plated"; preticketing the sets with fictitiously high prices; and advertising falsely that they were advertised in Life Magazine and The Saturday Evening Post.

Mr. Charles S. Cox supporting the complaint.

Mr. Ralph P. Semonoff, of Providence, R.I., for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

The complaint in this proceeding alleges that Louis Weingeroff and Frederick Weingeroff, individually and as copartners doing business as Weingeroff & Son, hereinafter referred to as respondents, have misrepresented the source, price, and quality of their merchandise, in violation of the provisions of the Federal Trade Commission Act. In addition the complaint charges that respondents have made misleading and deceptive statements by claiming that their products have been advertised in Life Magazine and the Saturday Evening Post when they have not been so advertised.

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.

Under the agreement, the respondents admit 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 the respondents of all rights to challenge or contest the validity of the order issuing in accordance therewith.

Order

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The agreement further recites that it is for settlement purposes only and does not constitute an admission by the respondents that they have violated the law as alleged in the complaint.

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. Respondents Louis Weingeroff and Frederick Weingeroff are individuals and copartners trading as Weingeroff & Son, with their principal office and place of business located at 528 North Main Street, Providence, R.I.

2. 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 Louis Weingeroff and Frederick Weingeroff, individually and as copartners trading as Weingeroff & Son, or trading under any other name, and their agents, representatives and employees, directly or through any corporate or other device, in connection with the manufacture, offering for sale, sale and distribution of jewelry or other products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the name of a company in connection with a product that has not been made by said company or representing in any manner, directly or by implication, that a product has been made by a specified company, when such is not the fact.

2. Representing, directly or indirectly:

(a) That a product which has a surface coating of gold or gold alloy applied by an electrolytic process is gold plated; *provided, however*, that a product or a part thereof, upon all significant surfaces of which there has been affixed by an electrolytic process a coating of gold, or of gold alloy, of not less than 10 karat fineness, the minimum thickness of which is equivalent to

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seven one-millionths of an inch of fine gold, may be marked or described as gold electroplate or gold electroplated.

(b) By preticketing, or in any other manner, that any price is the retail price of a product when such price is in excess of the price at which the product is usually and regularly sold at retail.

(c) That their products, or any of them, have been advertised in Life Magazine or the Saturday Evening Post; or that they, or any of them, have been advertised in any other manner, unless such is the fact.

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

DECISION OF THE COMMISSION AND ORDER TO FILE
REPORT OF COMPLIANCE

The Commission having considered the initial decision of the hearing examiner wherein he accepted an agreement containing a consent order to cease and desist executed by the respondents and counsel in support of the complaint, service of which initial decision was completed on April 24, 1959; and

It appearing that the initial decision may be deficient in that it fails to incorporate the substance of certain pertinent provisions of the agreement of the parties:

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

Under the agreement, the respondents admit 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 the respondents of all rights to challenge or contest the validity of the order issuing in accordance therewith. The agreement further recites that it is for settlement purposes only and does not constitute an admission by the respondents that they have violated the law as alleged in the complaint.

It is further ordered, That the initial decision as so modified shall, on the 27th day of May 1959, become the decision of the Commission.

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It is further ordered, That the respondents, Louis Weingeroff and Frederick Weingeroff, 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 contained in said initial decision.

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IN THE MATTER OF
KESTENBAUM & RENNERT, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABELING ACTS*Docket 7319. Complaint, Dec. 2, 1958—Decision, June 2, 1959*

Consent order requiring furriers in Brooklyn, N.Y., to cease violating the Fur Products Labeling Act by representing prices of fur products on invoices as having been reduced from regular prices which were in fact fictitious.

Mr. Alvin D. Edelson supporting the complaint.

Mr. Herbert Yuran of *Derman & Yuran*, of New York, N.Y., for respondents.

INITIAL DECISION BY JOSEPH CALLAWAY, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on December 2, 1958, charging them with having violated the Fur Products Labeling Act, the rules and regulations issued thereunder, and the Federal Trade Commission Act by falsely and deceptively invoicing certain of their fur products as alleged in the complaint.

After being served with the complaint respondents entered into an agreement, dated February 27, 1959 containing a consent order to cease and desist, disposing of all the issues in this proceeding, without hearing, which agreement has been duly approved by the assistant director and 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 Section 3.25 of the Rules of the Commission.

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

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:

1. Respondent Kestenbaum & Rennert, Inc. is a corporation organized, existing and doing business under and by virtue of