

IN THE MATTER OF
MARKS FURS, INC., ET AL.

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

Docket 7383. Complaint, Feb. 2, 1959—Decision, Oct. 7, 1959

Consent order requiring a furrier in Detroit, Mich., to cease violating the Fur Products Labeling Act by failing to set forth such terms as "Dyed Mouton-processed Lamb" and "secondhand" or "used fur" where required on labels and invoices and in advertising, and by failing in other respects to comply with labeling and invoicing requirements; failing to disclose in advertising the names of animals producing certain furs or the country

of origin, and to disclose when products contained used, artificially colored, cheap, or waste fur; representing selling prices as reduced from regular prices which were in fact fictitious, and falsely representing percentage savings; and failing to maintain adequate records as a basis for such pricing claims.

Mr. Thomas A. Ziebarth for the Commission.

Mr. Samuel Greenbaum, of Detroit, Mich., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with misbranding and falsely and deceptively invoicing and advertising certain of their fur products, and with failing to maintain full and adequate records disclosing the facts upon which were based certain pricing and saving claims and representations made by respondents in advertisements of said fur products, in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act.

After the issuance of the complaint, respondents, their counsel, and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the Director and an Acting Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement states that respondent Marks Furs, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Michigan, with its office and principal place of business located at 1211 Griswold Street, Detroit, Michigan, and that individual respondents Abe Abeloff and David Glanzrock are president and vice president, respectively, of said corporate respondent, and have the same address as the corporate respondent.

The agreement provides, among other things, that 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; that 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; that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission; that the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; that the agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the com-

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plaint; and that the order set forth in the agreement and herein-after included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive any further procedural steps before the hearing examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully disposes of all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act. Accordingly, the hearing examiner finds this proceeding to be in the public interest, and accepts the agreement containing consent order to cease and desist as part of the record upon which this decision is based. Therefore,

It is ordered, That Marks Furs, Inc., a corporation, and its officers, and Abe Abeloff and David Glanzrock, 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 the sale, advertising, 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 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:

1. Misbranding fur products by:

A. Failing to affix labels to fur products showing in words and figures plainly legible all of the information required to be disclosed by each of the subsections of §4(2) of the Fur Products Labeling Act;

B. Failing to set forth on required labels the item number or mark assigned to a fur product;

C. Setting forth on labels affixed to fur products:

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

2. Information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations thereunder mingled with non-required information;

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

D. Failing to set forth the term "Dyed Mouton-processed Lamb" in the manner required;

E. Failing to disclose that fur products contain or are composed of "secondhand" or "used fur," when such is the fact;

F. Failing to set forth the information required under §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 to purchasers of fur products invoices showing all of the information required to be disclosed by each of the subsections of §5(b)(1) of the Fur Products Labeling Act;

B. Failing to set forth on each invoice the item number or mark assigned to a fur product;

C. Setting forth on any invoice required information in abbreviated form;

D. Failing to set forth the term "Dyed Mouton-processed Lamb" in the manner required;

E. Failing to disclose that fur products contain or are composed of "secondhand" or "used fur," when such is the fact;

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 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 of the country of origin of any imported furs contained in a fur product;

B. Sets forth the name "Hudson Seal" or any other coined or fictitious name in place of the name or names of the animal or animals specified in §5(a)(1) of the Fur Products Labeling Act;

C. Fails to set forth the term "Dyed Broadtail processed Lamb" in the manner required;

D. 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 respondents have usually and customarily sold such products in the recent regular course of business;

E. Represents, directly or by implication, that the regular or usual retail prices charged by respondents 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;

F. Fails to disclose that fur products contain or are composed of "secondhand" or "used fur," when such is the fact;

4. Making price claims and representations of the types referred to in paragraphs D and E above unless respondents maintain full and adequate records 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 7th day of October, 1959, become the decision of the Commission; and, accordingly:

It is ordered. That respondents Marks Furs, Inc., a corporation, and Abe Abeloff and David Glanzrock, individually and as officers of said corporation, 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

WESTINGHOUSE ELECTRIC CORPORATION ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
SECS. 2(a) AND 2(d) OF THE CLAYTON ACT