

Decision

IN THE MATTER OF
A. & J. ENGEL, INC.

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

Docket 7524. Complaint, June 17, 1959—Decision, Nov. 4, 1959

Consent order requiring a New York City furrier to cease violating the Fur Products Labeling Act by labeling products deceptively with respect to animals producing furs; by failing to include required information on labels and invoices; by advertising in newspapers which failed to disclose the names of animals producing certain furs or that fur products contained artificially colored or cheap or waste fur, contained names of animals in addition to those producing the fur in fur products, and represented prices as reduced from previous higher prices without giving time of such compared prices, and as reduced from regular prices which were in fact fictitious; and by failing to maintain adequate records as a basis for such pricing claims.

Mr. Charles W. O'Connell for the Commission.
Respondent, for itself.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondent with misbranding and falsely and deceptively invoicing and advertising certain of its 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 respondent 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, respondent and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the Acting Director and an Assistant Director of the Commission's Bureau of Litigation, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement states that respondent A. & J. Engel, Inc., is a corporation 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 18 East 50th Street, in the City of New York, State of New York.

The agreement provides, among other things, that respondent admits all the jurisdictional facts alleged in the complaint, and agrees

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 respondent that it has violated the law as alleged in the complaint; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondent waives 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 it 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 respondent A. & J. Engel, 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 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 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 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 affix labels to fur products showing the item number or mark assigned to a fur product;

C. Falsely or deceptively labeling or otherwise identifying any such product as to the name or names of the animal or animals that produced the fur from which such product was manufactured;

D. Setting forth on labels affixed to fur products information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder mingled with non-required information;

E. Failing to set forth all the information required under §4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder on one side of said labels;

2. Falseley 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 furnish purchasers of fur products invoices showing the item number or mark assigned to a fur product;

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

3. Falseley 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;

B. Sets forth the name or names of any animal or animals in addition to the name or names specified in §5(a)(1) of the Fur Products Labeling Act;

C. Represents, directly or by implication, that the former or regular price of any fur product is any amount which is in excess of the price at which respondent has formerly, usually, or customarily sold such products in the recent regular course of its business;

D. Represents, directly or by implication, that prices of fur prod-

ucts are reduced from previous higher prices without giving the time of such compared prices;

4. Making pricing claims or representations of the types referred to in paragraphs 3 C and D above, unless there are maintained by respondent full and adequate records disclosing the facts upon which such claims or representations are based;

5. Misrepresenting in any manner the amount of savings available to purchasers of respondent's merchandise or the amount by which said merchandise is reduced from the price at which it is usually and customarily sold by respondent in the regular course of its business.

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 4th day of November, 1959, become the decision of the Commission; and, accordingly:

It is ordered, That respondent A. & J. Engel, Inc., a corporation, 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

LESTER B. PATTERSON ET AL. DOING BUSINESS AS
SKIL-WEAVE CO. ET AL.