

January, 1960, become the decision of the Commission; and, accordingly:

It is ordered, That respondent G. Sherman Corporation, 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

ALEXANDER'S DEPARTMENT STORES, INC., ET AL.

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

Docket 7585. Complaint, Sept. 16, 1959—Decision, Jan. 27, 1960

Consent order requiring sellers of fur products in Bronx, N.Y., to cease violating the Fur Products Labeling Act by failing to comply with invoicing and labeling requirements: by advertising in newspapers which contained comparative prices for fur products without giving a designated time of a bona fide compared price; and by failing to keep adequate records disclosing the facts on which such pricing claims were based.

Mr. Garland S. Ferguson supporting the complaint.

Mr. James P. Durante of *Lewis, Durante & Bartel*, of New York, N.Y., for respondent.

INITIAL DECISION BY LEON R. GROSS, HEARING EXAMINER

On September 16, 1959, pursuant to the provisions of the Fur Products Labeling Act and the Federal Trade Commission Act, the Federal Trade Commission issued its complaint in this proceeding in which the above-named parties were named as respondents. A true copy of the complaint was served upon respondents as required by law. The complaint charges respondents with violating the provisions of the Fur Products Labeling Act by misbranding certain fur products by failure to label them properly; failing to invoice certain fur products as required by the aforesaid Act; by falsely and deceptively invoicing fur products in violation of the aforesaid Act; using comparative prices in respondents' advertising of said fur products in violation of the said Act and the Rules and Regulations promulgated thereunder; and in making pricing and savings claims and representations which violated the Rules and Regulations under the Fur Products Labeling Act promulgated by the Federal Trade Commission. After being served with said complaint, respondents

appeared by counsel and, thereafter, entered into an agreement dated November 18, 1959, which purports to dispose of all of this proceeding as to all parties without the necessity of conducting a hearing. The agreement has been signed by all of the respondents, their counsel, and by counsel supporting the complaint; and has been approved by the Director and the Assistant Director of the Bureau of Litigation of this Commission. The agreement contains the form of a consent cease and desist order which the parties have agreed is dispositive of the issues involved in this proceeding. On November 30, 1959, the said agreement was submitted to the above-named hearing examiner for his consideration, in accordance with Section 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings.

Respondents, pursuant to the aforesaid agreement, have admitted all the jurisdictional facts alleged in the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Said agreement further provides that 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 such agreement. It has been agreed that the order to cease and desist issued in accordance with said agreement shall have the same force and effect as if entered after a full hearing and that the complaint may be used in construing the terms of said order. It has also been agreed that the record herein shall consist solely of the complaint and said agreement, and that said agreement is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement containing consent order, and it appearing that the order provided for in said agreement covers all of the allegations of the complaint and provides for an appropriate disposition of this proceeding as to all parties, said agreement is hereby accepted and is ordered to be filed and to become a part of the official record in this proceeding at the time this decision becomes the decision of the Commission pursuant to Sections 3.21 and 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings. The hearing examiner, accordingly, makes the following jurisdictional findings and enters the order hereinafter set forth:

1. Corporate respondent Alexander's Department Stores, 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 Fordham Road and Grand Concourse, Bronx 68, New York.

Individual respondents George Farkas, Louis Schwadron, R. Duffy Lewis, and Alexander Farkas are officers of said corporation. They formulate, direct and control the practices of the corporate respondent. The address of the individual respondents is the same as that of the corporate respondent.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents hereinabove named. The complaint states a cause of action against said respondents under the Fur Products Labeling Act and the Federal Trade Commission Act, and this proceeding is in the interest of the public.

ORDER

It is ordered, That Alexander's Department Stores, Inc., a corporation, and its officers, and George Farkas, Louis Schwadron, R. Duffy Lewis, and Alexander Farkas, 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, 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 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 sub-sections of Section 4(2) of the Fur Products Labeling Act.

2. Falsely or deceptively invoicing fur products by failing to furnish to purchasers of fur products an invoice showing all of the information required to be disclosed by each of the sub-sections of Section 5(b)(1) of the Fur Products Labeling Act.

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. Makes use of comparative prices unless such compared prices or claims are based on the current market value of the fur product or upon a bona fide compared price at a designated time.

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b. Misrepresents in any manner the savings available to purchasers of respondents' fur products.

4. Making claims or representations in advertisements respecting prices or values of fur products unless there is maintained by respondents full and adequate records disclosing the facts upon which such claims and 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 27th day of January, 1960, become the decision of the Commission; and accordingly:

It is ordered, That the 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.