

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
CHATHAM RESEARCH LABORATORIES ET AL.

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

Docket 7609. Complaint, Oct. 13, 1959—Decision, Apr. 4, 1960

Consent order requiring a San Francisco manufacturer of synthetic stones having the appearance of emeralds, along with the New York City wholesaler-distributors thereof, to cease representing falsely in advertising that said "Chatham Emeralds" were cultured, natural stones and identical to natural stones, and to cease using the word "emerald" to describe such stones unless it was immediately preceded by "synthetic" or a similar word.

Mr. Berryman Davis for the Commission.

Mr. Caesar L. Pitassy and *Royall, Koegel, Harris and Caskey*, of New York, N.Y., for Carroll F. Chatham, Anglomex, Inc., and Dan E. Mayers.

Mr. Peter W. Quinn, of New York, N.Y., for Ipekjdjian, Inc., Cultured Gem Stones, Inc., Adom Ipekjdjian and Georges Ipekjdjian.

INITIAL DECISION BY WALTER R. JOHNSON, HEARING EXAMINER

In the complaint dated October 13, 1959, the respondents are charged with violating the provisions of the Federal Trade Commission Act.

On February 3, 1960, the respondents and their attorneys entered into an agreement with counsel in support of the complaint for a consent order.

Under the foregoing 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.

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.

The hearing examiner being of the opinion that the agreement and the proposed order provide an appropriate basis for the 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 Carroll F. Chatham is an individual doing business as Chatham Research Laboratories, with his principal office and place of business located at 70 14th Street, in the City of San Francisco, State of California.

Respondent Anglomex, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. Respondent Dan E. Mayers is an individual and officer of said corporate respondent. The office and principal place of business of respondents Anglomex, Inc., and Dan E. Mayers is 214 East 18th Street, in the City of New York, State of New York.

Respondent Ipekjdjian, Inc., and respondent Cultured Gem Stones, Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York. Respondents Adom Ipekjdjian and Georges Ipekjdjian are individuals and each is an officer of both the corporate respondent Ipekjdjian, Inc., and the corporate respondent Cultured Gem Stones, Inc. The office and principal place of business of all of the respondents named in this paragraph is 580 Fifth Avenue in the City of New York, State of New York.

The term "respondents," as hereinafter used in this decision, shall refer to and include all the above-named respondents.

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 Carroll F. Chatham, an individual, trading as Chatham Research Laboratories, or under any other name; Anglomex, Inc., a corporation, and its officers, and Dan E. Mayers, individually and as an officer of said corporation; Ipekjdian, Inc., a corporation, and its officers, and Cultured Gem Stones, Inc., a corporation, and its officers, and Adom Ipekjdian and Georges Ipekjdian, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the manufacture for sale, offering for sale, sale and distribution of stones now known as Chatham Emeralds or Chatham Cultured Emeralds, or any other manufactured stone having essentially the same optical, physical and chemical properties, or any other manufactured stone having essentially the same optical, physical and chemical properties as a natural stone, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that such stones have been cultured, are natural stones, or are identical to natural stones;

2. Using the word "emerald" or the name of any other precious or semi-precious stone as descriptive of such stones unless such word or name is immediately preceded, with equal conspicuity, by the word "synthetic" or by some other word or phrase of such meaning as clearly to disclose the nature of such product and the fact that it is not a natural stone; provided, however, that this prohibition shall not be construed as requiring respondents or any of them to disclose the method or process, or any part thereof, used by respondent Chatham in the manufacture of his stones.

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 did, on the 4th day of April, 1960, become the decision of the Commission; and, accordingly:

It is ordered, That respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commis-

