

It is further 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 this order.

IN THE MATTER OF
PARAMOUNT BEDDING CORPORATION ET AL.

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

Docket 8438. Complaint, June 21, 1961—Decision, Sept. 15, 1961

Consent order requiring manufacturers of bedding products in Norfolk, Va., to cease representing falsely in advertising in newspapers and on television and in material furnished dealers for publication, that use of their "Quilt-O'Pedic" mattress was essential to everyone's health, that their "Firm-A-Back" mattress was designed to help all persons suffering from "nagging backache," that use of both would indiscriminately afford relief to sufferers from backache, and that their mattresses were "Guaranteed for 15 years" or ". . . 20 years"; and to cease misrepresenting the usual retail price of the mattresses by attaching labels printed with excessive amounts.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Paramount Bedding

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Corporation, a corporation, and Morris Comess, Max Comess and Albert Diamonstein, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Paramount Bedding Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia, with its principal office and place of business located at Virginia Beach Boulevard and Tidewater Drive in the City of Norfolk, State of Virginia.

Respondents Morris Comess, Max Comess and Albert Diamonstein are officers of the corporate respondent. They formulate, direct and control the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. Their address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in manufacturing, advertising and offering for sale, bedding products to retailers for resale to the public.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products when sold, to be shipped from their place of business in the State of Virginia to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said product in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business as aforesaid, respondents cause advertisements of their said products to be published in newspapers and to be broadcast over various television stations in Virginia and North Carolina. Said broadcasts are heard and seen by listeners in states other than the states from which the broadcasts emanate.

Respondents also furnish to retailers and dealers handling their products various advertising material for publication in newspapers.

All of the aforesaid advertising, as well as other kinds of advertising done by respondents, contain numerous representations respecting the health benefits to be derived by users of such products.

PAR. 5. Typical of certain of the representations contained in the aforesaid advertising material, but not all inclusive, are the following:

Quilt-O'Dreams FIRM-A-BACK MATTRESSES AND BOX SPRINGS. "Wonderful" say sleepers with "problem backs" . . . Scientifically designed to help you sleep better.

Backache Sufferers, Now you can get real relief . . . with The New Quilt-O'Dreams Firm-A-Back Mattress.

Do you suffer from nagging backache? Then what you need is the Firm-A-Back Mattress with rubberized sisal that prevents sagging . . .

The Quilt-O-Dreams Firm-A-Back is scientifically designed for those of you who suffer from nagging backache troubles . . . specially constructed with sturdy rubberized sisal insulation to prevent sagging.

The Firm-A-Back is scientifically designed to help those who suffer from the troubles of nagging backache . . .

The Quilt O'Pedic mattress—designed like a hospital mattress, to give you the comfortable, firm support your doctor knows is vital to your health.

—extra firm Quilt O'Pedic . . . the backache relief the Quilt O'Pedic can give you.

PAR. 6. Through the use of the aforesaid statements, and others similar thereto but not specifically set out herein, the respondents represent directly or indirectly:

1. That respondents' Firm-A-Back mattress is designed to help all persons suffering from nagging backache.
2. That the use of respondents' Quilt O'Pedic mattress is essential to everyone's health.
3. That the use of respondents' Firm-A-Back and Quilt O'Pedic mattresses will indiscriminately afford relief to persons suffering from backaches.

PAR. 7. Said statements and representations are false, misleading and deceptive. In truth and in fact:

1. Respondents' "Firm-A-Back" mattress is not designed to help all persons suffering from nagging backache.
2. The use of respondents' Quilt O'Pedic mattress is not essential to everyone's health.
3. The use of respondents' Firm-A-Back and Quilt O'Pedic mattress will not indiscriminately afford relief to persons suffering from backache.

PAR. 8. The respondents in advertising certain of their mattresses used such expressions as "Guaranteed for 15 years" or "Guaranteed for 20 years", thereby representing that said mattresses were fully and unconditionally guaranteed for 15 years or 20 years. In truth and in fact the guarantees furnished in connection with said mattresses were limited and conditional in several respects which limitations and conditions were not set out in the advertising.

PAR. 9. Respondents, for the purpose of inducing the purchase of their product, have engaged in the practice of using fictitious prices in connection therewith by attaching, or causing to be attached, labels to their mattresses upon which a certain amount is printed, thereby representing, directly or by implication, that said amount is the usual and regular retail price of said mattresses in the areas where the representation is made. In truth and in fact, said amount is fictitious

and in excess of the usual and regular retail price of said mattresses in the area where the representation is made.

PAR. 10. By the aforesaid practice, respondents place in the hands of retailers means and instrumentalities by and through which they may mislead the public as to the usual and regular retail price of said mattresses.

PAR. 11. In the course and conduct of their business, at all times mentioned herein, respondents have been in substantial competition in commerce with corporations, firms and individuals in the sale of mattresses of the same general kind and nature as that sold by respondents.

PAR. 12. The use by respondents of the aforesaid false, misleading and deceptive statements, representations, and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true, and into the purchase of substantial quantities of the respondents' products by reason of said erroneous and mistaken belief. As a consequence thereof, substantial trade in commerce has been, and is being, unfairly diverted to respondents from their competitors and substantial injury has thereby been, and is being, done to competition in commerce.

PAR. 13. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair and deceptive acts and practices and unfair methods of competition, in commerce, within the intent and meaning of the Federal Trade Commission Act.

DECISION AND ORDER

This matter having come on to be heard by the Commission upon a record consisting of the Commission's complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act and an agreement by and between respondents and counsel supporting the complaint, which agreement contains an order to cease and desist, an admission by the respondents of all the jurisdictional facts alleged in the complaint, a statement that the signing of 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, and waivers and provisions as required by the Commission's rules; and

The Commission having considered the agreement and order contained therein and being of the opinion that the agreement provides an adequate basis for appropriate disposition of the proceeding, the agreement is hereby accepted, the following jurisdictional findings are made, and the following order is entered:

1. Respondent Paramount Bedding Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Virginia, with its office and principal place of business located at Virginia Beach Boulevard and Tidewater Drive, in the City of Norfolk, State of Virginia.

Respondents Morris Comess, Max Comess and Albert Diamonstein are officers of the corporate respondent. Their address 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, and the proceeding is in the public interest.

ORDER

It is ordered, That respondents Paramount Bedding Corporation, a corporation, and its officers, and Morris Comess, Max Comess and Albert Diamonstein, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of bedding products, or any other articles of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication:

(a) That their mattresses are designed to or will afford relief to persons suffering from backache unless it is clearly disclosed that such relief will be afforded only to users whose backaches result from using a soft mattress.

(b) That the use of their mattresses is essential to health.

(c) That their products are guaranteed unless the nature and extent of the guarantee and the manner in which the guarantor will perform are clearly set forth.

(d) By means of preticketing, or in any other manner, that any amount is the usual and customary retail price of merchandise when such amount is in excess of the price at which said merchandise is usually and customarily sold at retail in the trade area or areas where the representation is made.

2. Furnishing or otherwise placing in the hands of retailers or dealers in said products the means and instrumentalities by and through which they may mislead or deceive the public in the manner or as to the things hereinabove inhibited.

It is further 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 this order.

Complaint

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IN THE MATTER OF

M. COHEN & SON COATS & SUITS, INC., ET AL.

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

Docket 8386. Complaint, May 4, 1961—Decision, Sept. 19, 1961

Consent order requiring New York City furriers to cease violating the Fur Products Labeling Act by using the name "Golden Glory Fox", registered trademark of another person, to describe their "Bleached Blue Fox" on labels and invoices, and by failing to comply in other respects with labeling and invoicing requirements.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that M. Cohen & Son Coats & Suits, Inc., a corporation, and Max Cohen and Irving Elkin, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent M. Cohen & Son Coats & Suits, Inc., is a corporation, organized, 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 225 West 37th Street, New York, New York.

Respondents Max Cohen and Irving Elkin are officers of the said corporate respondent and control, direct and formulate the acts, practices and policies of the corporate respondent. Their address is the same as that of the corporate respondent.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondents have been and are now engaged in the introduction into commerce, and in the manufacture for introduction into commerce, and in the sale, advertising, offering for sale, transportation and distribution, in commerce, of fur products; and have manufactured for sale, sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of fur which had been shipped and received in com-