

Post Office Box 988, Eustis, Fla.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent.

ORDER

It is ordered, That the respondent Eustis Fruit Company, Inc., a corporation, and its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the sale of citrus fruit, or fruit products, in commerce, as "commerce" is defined in the Clayton Act, as amended, do forthwith cease and desist from:

Paying, granting, or allowing, directly or indirectly, to any buyer or to anyone acting for or in behalf of or who is subject to the direct or indirect control of such buyer, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, upon or in connection with any sale of citrus fruit or fruit products to such buyer for his own account.

It is further ordered, That the respondent herein 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 this order.

IN THE MATTER OF

ALAMO FRUIT & VEGETABLE CO., INC.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
SEC. 2(c) OF THE CLAYTON ACT

Docket C-67. Complaint, Jan. 24, 1962—Decision, Jan. 24, 1962

Consent order requiring an Alamo, Tex., packer of citrus fruit to cease violating Sec. 2(c) of the Clayton Act by paying brokerage or discounts to some brokers and direct buyers on purchases for their own accounts for resale.

Complaint

COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondent named in the caption hereof, and hereinafter more particularly described, has been and is now violating the provisions of subsection (c) of Section 2 of the Clayton Act, as amended (U.S.C. Title 15, Sec. 13), hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent Alamo Fruit & Vegetable Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Texas with its offices and principal place of business located in Alamo, Tex., with mailing address as Post Office Box 666, Alamo, Tex.

PAR. 2. Respondent is now and for the past several years has been engaged in the business of packing, selling and distributing citrus fruit, such as oranges, tangerines and grapefruit, all of which are hereinafter referred to as citrus fruit or fruit products. Respondent sells and distributes its citrus fruit through company salesmen, brokers and wholesalers, as well as direct, to customers located in many sections of the United States. When brokers are utilized in making sales for it, respondent pays them for their services a brokerage or commission, usually at the rate of 5 cents per carton or 10 cents per 1½ bushel box, or equivalent. Respondent's annual volume of business in the sale and distribution of citrus fruit is substantial.

PAR. 3. In the course and conduct of its business over the past several years, respondent has sold and distributed and is now selling and distributing its citrus fruit in commerce, as "commerce" is defined in the aforesaid Clayton Act, as amended, to buyers located in the several states of the United States other than the State of Texas in which respondent is located. Respondent transports, or causes such citrus fruit, when sold, to be transported from its place of business or packing plant in the State of Texas, or from other places within the State, to such buyers or to the buyers' customers located in various other states of the United States. Thus there has been, at all times mentioned herein, a continuous course of trade in commerce in such citrus fruit across state lines between said respondent and the respective buyers of such fruit.

PAR. 4. In the course and conduct of its business as aforesaid, respondent has been and is now making substantial sales of citrus fruit to some, but not all, of its brokers and direct buyers purchasing for their own account for resale, and on a large number of these sales respondent paid, granted or allowed, and is now paying, granting or allowing to these brokers and other direct buyers on their purchases,

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a commission, brokerage, or other compensation, or an allowance or discount in lieu thereof, in connection therewith.

PAR. 5. The acts and practices of respondent in paying, granting or allowing to brokers and direct buyers a commission, brokerage or other compensation, or an allowance or discount in lieu thereof, on their own purchases, as above alleged and described, are in violation of subsection (c) of Section 2 of the Clayton Act, as amended (U.S.C. Title 15, Sec. 13).

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondent named in the caption hereof with violation of subsection (c) of Section 2 of the Clayton Act, as amended, and the respondent having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the complaint to issue herein, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as set forth in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Alamo Fruit & Vegetable Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Texas with its offices and principal place of business located in Alamo, Tex., with mailing address as Post Office Box 666, Alamo, Tex.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent.

ORDER

It is ordered, That the respondent Alamo Fruit & Vegetable Co., Inc., a corporation, and its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the sale of citrus fruit, or fruit products, in commerce, as "commerce" is defined in the Clayton Act, as amended, do forthwith cease and desist from:

Paying, granting, or allowing, directly or indirectly, to any buyer or to anyone acting for or in behalf of or who is subject to the direct or indirect control of such buyer, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, upon or in connection with any sale of citrus fruit or fruit products to such buyer for his own account.

It is further ordered, That the respondent herein 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 this order.

IN THE MATTER OF

THE NATIONAL SUGAR REFINING COMPANY

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 7 OF
THE CLAYTON ACT

Docket 6852. Complaint, July 25, 1957—Decision, Feb. 1, 1962

Consent order requiring the nation's second largest domestic sugar refiner to sell within six months and so as to restore the former competitive standing, the assets including refinery and sugar mill at Reserve, La., of the seventh largest—fifth largest east of the Mississippi River—refiner, which it acquired in June 1956 for approximately \$6 million for the fixed assets and about \$8 million for accounts receivable, inventories, and manufacturing supplies.

COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondent named in the caption hereof and hereinafter more particularly designated and described, has violated and is now violating the provisions of Section 7 of the Clayton Act (15 U.S.C. Title 15, Sec. 18), as amended, and approved December 29, 1950, hereby issues its complaint, charging as follows:

PARAGRAPH 1. Respondent, The National Sugar Refining Co. (hereinafter sometimes referred to as "respondent National"), is a corporation doing business under and by virtue of the laws of the State of New Jersey, with its principal office and place of business located at 100 Wall Street, New York, N.Y.

The present company was organized under the laws of the State of New Jersey on June 2, 1900, under the corporate name of The National Sugar Refining Company of New Jersey. In 1939 its corporate name was changed to its present form.

Upon its organization the respondent National acquired the stock of the New York Sugar Refining Company, Mollenhauer Sugar Re-

Paying, granting, or allowing, directly or indirectly, to any buyer or to anyone acting for or in behalf of or who is subject to the direct or indirect control of such buyer, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, upon or in connection with any sale of citrus fruit or fruit products to such buyer for his own account.

It is further ordered, That the respondent herein 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 this order.

IN THE MATTER OF

THE NATIONAL SUGAR REFINING COMPANY

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COMPLAINT

The Federal Trade Commission, having reason to believe that the party respondent named in the caption hereof and hereinafter more particularly designated and described, has violated and is now violating the provisions of Section 7 of the Clayton Act (15 U.S.C. Title 15, Sec. 18), as amended, and approved December 29, 1950, hereby issues its complaint, charging as follows:

PARAGRAPH 1. Respondent, The National Sugar Refining Co. (hereinafter sometimes referred to as "respondent National"), is a corporation doing business under and by virtue of the laws of the State of New Jersey, with its principal office and place of business located at 100 Wall Street, New York, N.Y.

The present company was organized under the laws of the State of New Jersey on June 2, 1900, under the corporate name of The National Sugar Refining Company of New Jersey. In 1939 its corporate name was changed to its present form.

Upon its organization the respondent National acquired the stock of the New York Sugar Refining Company, Mollenhauer Sugar Re-

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fining Company, and National Sugar Refining Company (a New Jersey corporation distinct from respondent National, and dissolved in 1938), and, through such stock ownership or by transfer thereafter, the sugar refineries of the above named companies, then situated respectively at Long Island City, New York; Brooklyn, New York; and Yonkers, New York.

Following the merger of the three companies the Mollenhauer plant was closed and operations were begun immediately at the Long Island City and Yonkers refineries.

In 1927 the respondent purchased the refinery of Warner Sugar Refining Company at Edgewater, New Jersey, and in 1931 the operations of the Yonkers refinery were terminated, leaving the respondent with two operating plants, its present refinery in Long Island City, New York, and the Edgewater, New Jersey refinery.

In January 1941, the trademark, good will and certain other assets, but not the refinery, of Arbuckle Brothers were purchased by Arbuckle Sugars, Inc., a wholly owned subsidiary of respondent National. This subsidiary was dissolved August 25, 1947, and its business continued under the name of Arbuckle Sugars Division of The National Sugar Refining Company.

In 1941 a newly incorporated subsidiary of respondent National, the Pennsylvania Sugar Company, acquired the sugar refinery, plants and refining business of the former Pennsylvania Sugar Company. Since 1947 this subsidiary has been operated as the Pennsylvania Sugar Division of The National Sugar Refining Company.

During 1943 and 1944 the respondent sold the machinery, refinery, and other property which it owned at Edgewater, New Jersey, and confined its sugar refining operations and those of its subsidiary to the Long Island City and Philadelphia refineries.

Respondent, directly and through its various subsidiaries, is engaged, among other things, in the business of refining cane sugar and refines and distributes under the trade names "Jack Frost", "Quaker", "Arbuckle's" and "Godchaux" over forty grades of cane sugars in a great variety of packing. It also has a line of hard, soft, and liquid cane sugars under the brand name "National", and also produces under the name "Krist-O-Kleen" nine grades of special liquid and semi-solid invert sugars adaptable for industrial use. Respondent National is the second largest domestic refiner of sugar in the United States, selling its products in 28 states and accounting for approximately 15% of the national output.

PAR. 2. Respondent National purchases raw sugar from suppliers located in various States of the United States. This raw sugar is

extracted from sugar cane which is grown in the United States, Cuba, Hawaii, Puerto Rico and the Philippine Islands. The refined sugar produced by respondent is offered for sale, sold, and distributed to purchasers thereof located throughout the United States and respondent is engaged in commerce as "commerce" is defined in the Clayton Act and the Federal Trade Commission Act.

PAR. 3. Prior to June, 1956, Godchaux Sugars, Inc. (hereinafter sometimes called Godchaux), was a corporation organized and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located in the Carondelet Building, New Orleans, Louisiana. Godchaux was incorporated in New York on July 7, 1919. At that time it acquired all of the property of Godchaux Company, Inc., which had been incorporated in 1914 to succeed Leon Godchaux Co., Ltd., a business that was founded by Leon Godchaux in 1898 under a perpetual charter.

Godchaux was principally a planter, manufacturer and refiner of cane sugar and in 1955 ranked seventh in size among sugar refiners in the United States and fifth in size among sugar refiners operating east of the Mississippi River. The properties and assets of Godchaux were located in the Parishes of St. John the Baptist, St. Charles, Lafourche, Assumption, and St. Bernard, Louisiana. The real property consisted of approximately 32,000 acres of land in the heart of the cane growing district of Louisiana. The company had approximately 13,500 acres planted in sugar cane. These properties are on or near the Mississippi River and are an average distance of about 50 miles from New Orleans, Louisiana. The cane sugar produced from this acreage formed only a small part of the refined output of Godchaux. In addition to its own sugar the company's refinery handled a large amount of Cuban and Puerto Rican sugar imported through the port of New Orleans, Louisiana. Godchaux purchased this sugar from suppliers located in various States of the United States. The company owned and operated a refinery and mill at Reserve, Louisiana, as well as a sugar cane mill at Raceland, Louisiana. Products were distributed under the brand names "Godchaux" and "Raceland" through jobbers and wholesale grocers in 21 States, principally in the southern and central freight rate territories. These brand names had become well established over a long period of years.

Godchaux, while in the course and conduct of manufacturing, refining, selling and distributing its principal product, refined sugar, was in commerce, as "commerce" is defined in the Clayton Act.

PAR. 4. In 1939 there existed 112 companies doing business in the sugar refining industry. In 1954 the number of companies doing

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business in the industry was 88. This represents a decrease of 21%. In 1939 these companies produced 6,088,772 tons of refined sugar. In 1954 these companies produced 7,481,434 tons of refined sugar. This represents an increase of 23%. There has been little, if any, expansion in the sugar refining industry since 1939, and the aforementioned figures clearly indicate a tendency toward concentration of production facilities. Entry into the sugar refining industry is difficult for various reasons which are, among others, severe capital requirements due to the nature of manufacturing processes and heavy initial advertising expenditures in order to overcome public acceptance of entrenched well-known brands of a commodity for which the demand is fairly inelastic.

The sugar refining business consists of two basic products, refined cane sugar and refined beet sugar. The refined product of both beet and cane sugar is similar, with the exception of minor chemical differences and small price variations due to public preference for refined cane sugar. Respondent National and Godchaux are both refiners of cane sugar exclusively. For the purpose of this complaint, and the practices alleged to be illegal herein, refined beet sugar and refined cane sugar are considered identical.

PAR. 5. Respondent National and Godchaux were in competition prior to and during a part of 1956 in the sale of refined sugar products in substantially all of the States east of the Mississippi River and the States of Arkansas, Iowa, Louisiana, Missouri, and Oklahoma. In this area, in 1955, the five leading sugar refiners accounted for 58.3 percent of all refined sugar deliveries. The largest refiner in this area is the American Sugar Refining Company. In 1955 this company delivered 29.3 percent of the sugar in the area. Respondent National was the second largest refiner of sugar, delivering 821,080 tons of refined sugar which amounted to 13.4 percent of the industry total in the area in 1955. Godchaux was the fifth largest refiner of sugar, delivering 243,079 tons of refined sugar which amounted to 4 percent of the industry total in the area in 1955. The combined total of American Sugar, respondent National, and Godchaux gives these three producers 46.7 percent of the refined sugar delivered in the area.

In 1955 in the area embracing the five States of Illinois, Indiana, Kentucky, Michigan and Ohio, respondent National produced 11.8 percent of the refined sugar delivered and Godchaux produced 5.7 percent of the refined sugar delivered. The two companies produced a total of 17.5 percent.

In 1955 in the tri-state area of Indiana, Kentucky and Ohio, respondent National produced 22.5 percent of the total refined sugar delivered and Godchaux produced 8.3 percent of the total refined sugar delivered. The two companies produced a total of 30.8 percent.

In 1955 in the area embracing the States of Indiana and Ohio, respondent National produced 26.5 percent of the refined sugar delivered and Godchaux produced 5.7 percent of the refined sugar delivered. The two companies produced a total of 32.2 percent.

PAR. 6. On or about January 1956, Webb and Knapp, Inc., an organization engaged primarily in the business of investing and dealing in real estate, began buying stock in Godchaux through its corporate subsidiary, The 52026 Corporation, with the express purpose of gaining control of Godchaux and its approximately 32,000 acres of real estate in Louisiana. Effective control of Godchaux was acquired shortly thereafter.

During the last half of May 1956, Webb and Knapp, Inc., announced its intention to sell the Godchaux sugar refinery and the refining business at Reserve, La., to Respondent National. This sale was consummated in June 1956, when respondent National announced the purchase of the refinery and mill of Godchaux, together with the business, trade-mark, and goodwill of the Godchaux brand. The consideration for the transaction was approximately \$6,000,000 for the fixed assets, plus approximately \$8,000,000 for accounts receivable, inventories, and manufacturing supplies.

As of the date of the aforementioned sale to respondent National, the stockholders of Godchaux voted to change the name of the corporation to Gulf States Land and Industries, Inc., and said corporation is still a part of the sugar industry by virtue of its ownership and operation of the cane mill at Raceland, Louisiana, and all of its original cane growing operations. Approximately 31,000 of the 32,000 acres of land originally owned by Godchaux was retained by Gulf States Land and Industries, Inc.

PAR. 7. The aforesaid acquisition by respondent National of Godchaux may have the effect of substantially lessening competition or tending to create a monopoly in the production and sale of refined sugar in commerce, as "commerce" is defined in the Clayton Act.

More specifically, the aforesaid effects include the actual or potential lessening of competition and a tendency to create a monopoly in violation of Section 7 of the Clayton Act in the following ways, among others:

Initial Decision

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(1) Godchaux has been permanently eliminated as one of the substantial independent producers of refined sugar and is no longer a competitive factor in the areas designated;

(2) By substantially increasing the competitive position of respondent National in the areas designated which may be to the detriment of actual and potential competition;

(3) Actual and potential competition between respondent National and Godchaux has been and will be eliminated in the production and sale of refined sugar in the areas in which they compete;

(4) Actual and potential competition generally in the production and sale of refined sugar may be substantially lessened and industry-wide concentration in the production of refined sugar has been and may be increased;

(5) The acquisition of Godchaux substantially increases respondent's overall position and gives respondent National the facilities, market position, and ability to monopolize or to tend to monopolize the refined sugar business in the designated areas;

(6) Substantially lessen competition by discouraging new entrants into the sugar refining business because of the monopolistic position of respondent National in certain areas and the further concentration of the industry as a whole.

PAR. 8. The foregoing acquisition, acts and practices of respondent, as hereinbefore alleged and set forth, constitute a violation of Section 7 of the Clayton Act (U.S.C. Title 15, Sec. 18), as amended, and approved December 29, 1950.

Mr. Rufus E. Wilson and Mr. Ross D. Young for the Commission.
Cravath, Swaine & Moore, by *Mr. Albert R. Connelly and Mr. Grosvenor Blair*, of New York, N.Y., for the respondent.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes also hereinafter referred to as the Commission) on July 25, 1957, issued its complaint herein, charging the respondent, The National Sugar Refining Company, a corporation, with having violated the provisions of § 7 of the Clayton Act (15 U.S.C., Title 15, § 18), as amended, and approved December 29, 1950; and respondent was duly served with process.

On December 27, 1961, there was submitted to the undersigned Hearing Examiner of the Commission, for his consideration and approval, an "Agreement Containing Consent Order To Divest", together with its Appendices A and B, both attached thereto and by reference made a part of said agreement, which was entered into by respondent, its counsel, and counsel supporting the complaint on

December 27, 1961, subject to the approval of the Bureau of Restraint of Trade, which has subsequently duly approved the same.

After due consideration, the hearing examiner finds that said agreement, both in form and in content, is in accord with § 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings dated March 1960, and that the parties have specifically agreed to the following matters:

1. Respondent is a corporation existing and doing business under and by virtue of the laws of the State of New Jersey, with its office and principal place of business located at 100 Wall Street in the city of New York, State of New York.

2. 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.

3. This agreement disposes of this proceeding as to all parties. The parties agree that the order contained herein is in the public interest for the reasons set forth in the attached Appendix A which by reference is made a part of this agreement.

4. Godchaux Sugar Refining Co., a newly formed corporation, created for the purpose of acquiring the assets which are the subject of the order of divestiture herein, shall be deemed a purchaser approved by the Commission. The terms of the contract annexed hereto as Appendix B are acceptable for the aforesaid purpose.

5. Respondent waives:

- (a) Any further procedural steps;

- (b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

- (c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

6. 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.

7. This agreement shall not become a part of the official record of the proceeding unless and until it is accepted by the Commission.

8. This 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.

9. The following order may be entered in this proceeding by the Commission without further notice to respondent. The complaint may be used in construing the terms of the order. When so entered the order to divest shall have the same force and effect as if entered

after a full hearing. It may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders.

Upon due consideration of said complaint and agreement, the hearing examiner approves and accepts the "Agreement Containing Consent Order To Divest"; finds that the Commission has jurisdiction of the subject-matter of this proceeding and of the respondent herein; that the complaint states a legal cause for complaint under § 7 of the Clayton Act, as amended, against the respondent, both generally and in each of the particulars alleged therein; that this proceeding is in the interest of the public; and that the order proposed in said agreement is appropriated for the just disposition of all the issues in this proceeding as to all of the parties thereto; and therefore issues the said order, as follows:

I

It is ordered, That The National Sugar Refining Company, a corporation, through its officers, directors, agents, representatives and employees, shall divest itself within six (6) months of service of this order by the Commission, absolutely and in good faith, as a unit by sale to Godchaux Sugar Refining Co. or any other purchaser approved by the Commission, of all assets, properties, rights or privileges, tangible or intangible, including but not limited to, all plants, equipment, trade names, trademarks, contracts and business, and all other properties, rights and privileges acquired by The National Sugar Refining Company by the acquisition of the assets of Godchaux Sugars, Inc. (except as such assets or any part thereof may have been disposed of heretofore), together with such additions and equipment of whatever description as have been added thereto, in such a manner as may be necessary to restore Godchaux Sugars, Inc., to at least the same, relative competitive standing it formerly had in the sugar refining industry at or around the time of its acquisition by respondent.

II

It is further ordered, That in such divestment, none of the said assets, properties, rights and privileges, tangible or intangible, shall be sold or transferred, directly or indirectly, to anyone who at the time of the divestiture is an officer, director, employee, or agent of, or otherwise directly or indirectly connected with or under the control or influence of, respondent, The National Sugar Refining Company.

III

It is further ordered, That respondent shall submit to the Commission bi-monthly reports describing the action that has been taken and the efforts that have been made to sell the subject assets. Such reports shall indicate the methods and means employed to effectuate a sale, the result of such actions and efforts and shall set forth the name and address of each person or company contacted, or who has indicated interest in acquiring said properties, together with copies of all correspondence and summaries of all oral communications with such persons or companies.

IV

It is further ordered, That respondent shall, within sixty (60) days after divestiture of the subject properties, file with the Commission a report in writing setting forth in detail the manner and form in which it has complied with this order.

V

It is further ordered, That, in the event respondent retains any security interest in the subject properties which may be divested to Godchaux Sugar Refining Co. and thereafter, by enforcement or settlement or any other means of enforcing such security, regains ownership or control of such property, respondent shall divest itself of said property regained in the same manner as provided in Sections I, II, III and IV of this Order.

VI

It is further ordered, That for a period of five (5) years from the date of this order respondent shall cease and desist from acquiring, directly or indirectly, through subsidiaries or otherwise, the assets, stock or any equity in any other sugar refining or beet processing company in the United States.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, published May 6, 1955, as amended, the initial decision of the hearing examiner shall, on the 1st day of February 1962, become the decision of the Commission; and, accordingly:

It is ordered, That respondent The National Sugar Refining Company, a corporation, shall file with the Commission reports in writing, setting forth in detail the manner and form in which it has complied with the order to divest, as required by Paragraphs III and IV of the order contained in the initial decision.

Complaint

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IN THE MATTER OF

JACK LEVINE TRADING UNDER HIS OWN NAME AND AS
JACK LEVINE FURS, ETC.

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

Docket C-68. Complaint, Feb. 1, 1962—Decision, Feb. 1, 1962

Consent order requiring a furrier in Beverly Hills, Calif., to cease violating the Fur Products Labeling Act by failing to disclose on labels and invoices the true animal name of the fur used in fur products, the country of origin of imported furs, and when furs were artificially colored; failing to identify the manufacturer, etc., on labels, and to show on invoices when products contained used fur, and to comply in other respects with labeling and invoicing requirements; and by making price and value claims in advertising in newspapers without maintaining adequate records disclosing the facts upon which such representations were based; and to cease violating the Wool Products Labeling Act by failing to disclose on labels the percentage of the total fiber weight of each of the fibers present in ladies' sweaters, and showing the fiber content of sweaters as "cashmere" without setting forth the actual percentage of cashmere fleece contained therein.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Fur Products Labeling Act and the Wool Products Labeling Act of 1939, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Jack Levine, trading under his own name and as Jack Levine Furs, Inc. of California, and Jack Levine & Company, hereinafter referred to as respondent, has violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling Act and the Wool Products Labeling Act of 1939, 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 Jack Levin is an individual trading under his own name and as Jack Levine Furs, Inc. of California, and Jack Levine & Company, with his office and principal place of business located at 332 South Beverly Drive, Beverly Hills, Calif.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondent has been and is now engaged in the introduction into commerce, and in the manufacture for introduction into commerce, and in the sale, advertising and offering for