

Complaint

60 F.T.C.

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

sale, in commerce, and in the transportation and distribution, in commerce, of fur products; and has 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 has been shipped and received in commerce, as the term "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were falsely and deceptively labeled or otherwise falsely and deceptively identified to show that the fur contained therein was natural when in truth and in fact the fur in said fur products was bleached, dyed or otherwise artificially colored, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. Certain of said fur products were misbranded or otherwise falsely and deceptively labeled in violation of Section 4(1) of the Fur Products Labeling Act in that labels affixed to fur products contained the following guarantee: "We guarantee that the fur products or furs specified herein are not misbranded nor falsely nor deceptively advertised or invoiced under the provisions of the Fur Products Labeling and the Rules and Regulations thereunder", when in truth and in fact such products were misbranded in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder.

PAR. 5. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products, but not limited thereto, were fur products with labels which failed:

(a) To show the true animal name of the fur used in the fur product;

(b) To disclose that the fur contained in the fur product was bleached, dyed or otherwise artificially colored, when such was the fact;

(c) To show the name, or other identification issued and registered by the Commission, of one or more of the persons who manufactured the fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce.

PAR. 6. Certain of said fur products were misbranded in violation of the Fur Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

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(a) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was mingled with non-required information, in violation of Rule 29 (a) of said Rules and Regulations.

(c) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in handwriting on labels, in violation of Rule 29(b) of said Rules and Regulations.

(d) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth separately on labels with respect to each section of fur products composed of two or more sections containing different animal furs, in violation of Rule 36 of said Rules and Regulations.

PAR. 7. Certain of said fur products were falsely and deceptively invoiced by respondent in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act and Rules and Regulations promulgated under such Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were invoices pertaining to such fur products which failed to show:

1. The true animal name of the fur used in the fur product.
2. That the fur product contained used fur, when such was the fact.
3. That the fur contained in the fur product was bleached, dyed or otherwise artificially colored, when such was the fact.
4. The country of origin of imported furs contained in the fur products.

PAR. 8. Certain of said fur products were falsely and deceptively invoiced in that respondent set forth on invoices pertaining to fur products the name of an animal other than the name of the animal that produced the fur, in violation of Section 5(b)(2) of the Fur Products Labeling Act.

PAR. 9. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated

thereunder was set forth in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) The term "Broadtail Lamb" was not set forth in the manner required, in violation of Rule 8 of said Rules and Regulations.

(c) The term "Dyed Broadtail-processed Lamb" was not set forth in the manner required, in violation of Rule 10 of said Rules and Regulations.

(d) The disclosure "secondhand", where required, was not set forth, in violation of Rule 23 of said Rules and Regulations.

(e) Required item numbers were not set forth, in violation of Rule 40 of said Rules and Regulations.

PAR. 10. Respondents advertised fur products in the Los Angeles Times, a newspaper published in the City of Los Angeles, State of California, and having a wide circulation in said state and various other States of the United States.

Respondent in advertising fur products for sale as aforesaid, made claims and representations respecting prices and values of fur products. Said representations were of the types covered by subsections (a), (b), (c), and (d) of Rule 44 of the Rules and Regulations promulgated under the Fur Products Labeling Act. Respondent in making such claims and representations failed to maintain full and adequate records disclosing the facts upon which such claims and representations were based in violation of Rule 44(e) of said Rules and Regulations.

Among and typical of the claims and representations contained in such advertisements, but not limited thereto, were the following:

Here is how you can buy \$795 mink stoles for only \$395. . . . Cerulean, Autumn Haze, Tourmaline and other matchless mink stoles. . . . usually \$795 in fine stores. Jack Levine priced to you. only \$395 plus tax. . . .

PAR. 11. The aforesaid acts and practices of respondent, as herein alleged, are in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constitute unfair and deceptive acts and practices and unfair methods of competition in commerce under the Federal Trade Commission Act.

PAR. 12. Subsequent to the effective date of the Wool Products Labeling Act of 1939, respondents have introduced into commerce, sold, transported, distributed, delivered for shipment, and offered for sale in commerce, as "commerce" is defined in said Act, wool products as "wool products" are defined therein.

PAR. 13. Certain of said wool products were misbranded by respondent in that they were not stamped, tagged or labeled as re-

quired by Section 4(a) (2) of the Wool Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products were ladies' sweaters with labels which failed to disclose the percentage of the total fiber weight of each of the fibers present in the product.

PAR. 14. Certain of said wool products were misbranded in violation of the Wool Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in that the labels attached to the wool products showed the fiber content as "cashmere" without setting forth the actual percentage of the hair or fleece of the cashmere goat contained therein, in violation of Rule 19 of the aforesaid Rules and Regulations.

PAR. 15. The acts and practices of the respondents as set forth in Paragraphs Thirteen and Fourteen were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, 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

The Commission having heretofore determined to issue its complaint charging the respondent named in the caption hereof with violation of the Federal Trade Commission Act, the Fur Products Labeling Act and the Wool Products Labeling Act of 1939, 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 Jack Levine 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.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent Jack Levine, an individual trading under his own name or as Jack Levine Furs, Inc. of California, or Jack Levine & Company, or under any other name, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is 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 the information required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

B. Representing directly or by implication that the fur contained in the fur products is natural, when such is not the fact.

C. Setting out a guaranty on labels affixed thereto that such fur products are not misbranded or falsely or deceptively invoiced or advertised under the provisions of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, when such is not the fact.

D. Setting forth on labels affixed to fur products:

(1) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

(2) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder mingled with non-required information.

(3) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting.

E. Failing to set forth separately on labels attached to fur products composed of two or more sections containing different animal furs the information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder with respect to the fur comprising each section.

2. Falsely and deceptively invoicing fur products by:

A. Failing to furnish invoices to purchasers of fur products showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

B. Setting forth on invoices pertaining to fur products the name or names of any animal or animals other than the name or names of the animal or animals producing the fur contained in the fur products as specified in the Fur Products Name Guide and as prescribed under the Rules and Regulations.

C. Failing to set forth the term "Broadtail Lamb" in the manner required where an election is made to use that term instead of the word "Lamb".

D. Failing to set forth the term "Dyed Broadtail-processed Lamb" where an election is made to use that term instead of the term "Dyed Lamb".

E. Failing to disclose that fur products are "secondhand", when such is the fact.

F. Failing to set forth the item number or mark assigned to a fur product.

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

3. Making pricing claims and representations of the types covered by subsections (a), (b), (c) and (d) of Rule 44 of the Rules and Regulations promulgated under the Fur Products Labeling Act unless there are maintained by respondent full and adequate records disclosing the facts upon which such claims and representations are based.

It is further ordered, That respondent Jack Levine, an individual trading under his own name or as Jack Levine Furs, Inc. of California, or Jack Levine & Company, or under any other name, and respondent's representatives, agents and employees directly or through any corporate or other device, in connection with the introduction into commerce, or the offering for sale, sale, transportation, or delivery for shipment, in commerce of any wool product, as "wool product" and "commerce" are defined in the Wool Products Labeling

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Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Failing to securely affix to, or place on, each product, a stamp, tag, label or other means of identification showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

2. Stamping, tagging, labeling or otherwise identifying such products as containing the hair or fleece of the Cashmere goat without setting out in a clear and conspicuous manner on each such stamp, tag, label or means of identification the percentage of such Cashmere therein.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form