

IN THE MATTER OF
COOPCHIK-FORREST, INC., ET AL.

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

Docket C-110. Complaint, Apr. 5, 1962—Decision, Apr. 5, 1962

Consent order requiring New York City manufacturing furriers to cease violating
the Fur Products Labeling Act by labeling and invoicing furs as "natural"

Complaint

60 F.T.C.

when they were artificially colored, and failing to show on labels and invoices when they were so colored; and by furnishing false guaranties that certain of their fur products were not misbranded, falsely invoiced, or falsely advertised.

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 Coopchik-Forrest, Inc., a corporation, and Robert Coopchik, Alex Coopchik and Milton R. Forrest, 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 Coopchik-Forrest, 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 333 Seventh Avenue, New York, N.Y.

Respondents Robert Coopchik, Alex Coopchik and Milton R. Forrest are president, vice president and secretary-treasurer, respectively, of the said corporate respondent and formulate, direct and control the acts, practices and policies of the said corporate respondent. Their office and principal place of business is the same as that of the said 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 and offering for sale, in commerce, and in the 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 has been shipped and received in commerce as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded or otherwise falsely or deceptively labeled in that said fur products were labeled to show that the fur contained therein was natural when in fact such fur 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 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 to show that the fur contained in the fur products was bleached, dyed or otherwise artificially colored, when such was the fact.

PAR. 5. Certain of said fur products were falsely and deceptively invoiced in that said fur products were invoiced to show that the fur contained therein was natural when in fact such fur was bleached, dyed or otherwise artificially colored in violation of Section 5(b) (2) of the Fur Products Labeling Act.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced in that they were not invoiced as required under the provisions of Section 5(b) (1) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were invoices pertaining to such fur products which failed to disclose that the fur contained in the fur products was bleached, dyed or otherwise artificially colored, when such was the fact.

PAR. 7. The respondents furnished false guaranties that certain of their fur products were not misbranded, falsely invoiced or falsely advertised, when respondents in furnishing such guaranties had reason to believe that the fur products so falsely guaranteed would be introduced, sold, transported or distributed, in commerce, in violation of Section 10(b) of the Fur Products Labeling Act.

PAR. 8. The aforesaid acts and practices of respondents, 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.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act and the Fur Products Labeling Act, and the respondents 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 respondents and counsel for the Commission having there-

after executed an agreement containing a consent order, an admission by the respondents 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 respondents 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, Coopchik-Forrest, 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 333 Seventh Avenue, in the city of New York, State of New York.

Respondents Robert Coopchik, Alex Coopchik and Milton R. Forrest, are officers of said corporation and their address is the same as that of said corporation.

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 Coopchik-Forrest, Inc., a corporation, and Robert Coopchik, Alex Coopchik and Milton R. Forrest, 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, or manufacture for 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, manufacture for sale, advertising, offering for sale, transportation or distribution, of any fur product which has been 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. Representing directly or by implication, on labels that the fur contained in fur products is natural, when such is not the fact.

B. Failing to affix labels to fur products showing in words and figures plainly legible all the information required to be disclosed

705

Complaint

by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

2. Falsely or deceptively invoicing fur products by:

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

B. Failing to furnish to purchasers of fur products invoices showing all the information required to be disclosed by each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

3. Furnishing a false guaranty that any fur or fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur or fur product may be introduced, sold, transported or distributed in commerce.

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

BATAVIA MILLS, INC., ET AL.

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

Docket C-111. Complaint, Apr. 5, 1962—Decision, Apr. 5, 1962

Consent order requiring New York City distributors of textile fabrics to various branches of the Armed Forces, the Veterans Administration and others, to cease representing falsely, through use of the word "Mills" in their corporate name, that they operated factories in which their products were manufactured.

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 Batavia Mills, Inc., a corporation, and William Horwitz and Abraham L. Schneider, 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 Batavia Mills, Inc., is a corporation, organized, existing and doing business under the laws of the State of

Complaint

60 F.T.C.

New York, with its principal office and place of business located at 73 Worth Street, New York 13, N.Y.

Respondents William Horwitz and Abraham L. Schneider 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 the advertising, offering for sale, sale and distribution of textile fabrics to various branches of the Armed Forces, the Veterans Administration, and others.

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

PAR. 4. In the course and conduct of their business in soliciting the sale of and in selling the textile fabrics, the respondents have done business under the name of Batavia Mills, Inc., and use that name on letterheads and invoices.

PAR. 5. Through the use of the word "Mills" as part of the respondents' corporate name, respondents represent that they own or operate mills or factories in which the textile fabrics sold by them are manufactured.

PAR. 6. Said representation is false, misleading and deceptive. In truth and in fact, respondents do not own, operate or control the mills or factories in which the textile fabrics sold by them are manufactured but they buy said textile fabrics from others.

PAR. 7. There is a preference on the part of purchasers to buy products, including textile fabrics, direct from factories or mills, believing that by so doing lower prices and other advantages thereby accrue to them.

PAR. 8. In the course 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 textile fabrics with the same general kind and nature as that sold by respondents.

PAR. 9. 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 purchasers into the erroneous and mistaken belief that said statements and representations

were, and are, true and into the purchase of substantial quantities of 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. 10. 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 methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of Section 5(a)(1) of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents 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 respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents 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 respondents 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 Batavia Mills, 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 73 Worth Street, in the city of New York, State of New York.

Respondents William Horwitz and Abraham L. Schneider are officers of said corporation, and their address is the same as that of said corporation.

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.

Complaint

60 F.T.C.

ORDER

It is ordered, That respondents Batavia Mills, Inc., a corporation, and its officers, and William Horwitz and Abraham L. Schneider, 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 offering for sale, sale or distribution of textile fabrics in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from, directly or indirectly, using the word "Mills", or any other word of similar import or meaning, in or as a part of respondents' corporate or trade name, or representing in any other manner that respondents are manufacturers of the textile fabrics sold by them unless and until respondents own and operate, or directly and absolutely control, the manufacturing plant wherein said fabrics are woven or made.

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

QUALITY THRIFT FURS, INC., ET AL.

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

Docket 8445. Complaint, Oct. 11, 1961—Decision, Apr. 6, 1962

Order requiring St. Louis, Mo., furriers to cease violating the Fur Products Labeling Act by representing falsely on labels on fur products that fictitiously high sums were the regular retail prices, and that certain fur products were "samples"; failing to disclose in advertising the proper names of fur-producing animals, when furs were artificially colored, and the country of origin of imported furs, and naming an animal other than that producing certain furs; falsely advertising that purchasers would "save ½ and more" and that furs offered were "rental garments"; failing to keep adequate records to substantiate pricing claims; and failing in other respects to comply with requirements of the Act.

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 Quality Thrift Furs, Inc., a corporation, and Hopper Fur Company, Inc., a corporation, and Sylvia B. Hopper and Earl Hopper, individually and as officers of both corporations, and Edward Hopper, individually and as manager of both corporations, and Sig Tulper, individually and as a salesman of Quality Thrift Furs, Inc., 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. Quality Thrift Furs, Inc., is a corporation located at 501 North Seventh Street, St. Louis, Mo. Hopper Fur Company, Inc. is a corporation located at 425 North Seventh Street, St. Louis, Mo. Individual respondents Sylvia B. Hopper and Earl Hopper are officers in both of the said corporations. Individual respondent Edward Hopper is manager of both corporations and individual respondent Sig Tulper is a salesman of Quality Thrift Furs, Inc. All individual respondents control, direct and formulate the acts, practices and policies of the said corporate respondents. The office and principal place of business of all individual respondents is the same as that of the Hopper Fur Company, Inc.

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 sale, advertising, and offering for sale, in commerce, and in the transportation and distribution, in commerce, of fur products; and have 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 commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that labels affixed thereto contained fictitious prices and misrepresented the regular retail selling prices of such fur products in that the prices represented on such labels as the regular prices of the fur products were in excess of the retail prices at which the respondents usually and regularly sold such fur products in the recent regular course of business in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. Certain of said fur products were misbranded by being falsely and deceptively labeled in that labels affixed to fur products contained representations that the fur products were "samples" when such was not the fact in violation of Section 4(1) of the Fur Products Labeling Act.

Complaint

60 F.T.C.

PAR. 5. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that respondents caused the dissemination in commerce, as "commerce" is defined in said Act, of certain newspaper advertisements, concerning said products, which were not in accordance with the provisions of Section 5(a) of the said Act and the Rules and Regulations promulgated thereunder; and which advertisements were intended to aid, promote and assist, directly or indirectly, in the sale and offering for sale of said fur products.

PAR. 6. Among and included in the advertisements as aforesaid, but not limited thereto, were advertisements of respondents which appeared in issues of the St. Louis Globe Democrat and St. Louis Post Dispatch, newspapers published in the city of St. Louis, State of Missouri, and having a wide circulation in said State and various other States of the United States.

By means of said advertisements and others of similar import and meaning, not specifically referred to herein, respondents falsely and deceptively advertised fur products in that said advertisements:

(a) Failed to disclose the name or names of the animal or animals that produced the fur contained in the fur product as set forth in the Fur Products Name Guide, in violation of Section 5(a)(1) of the Fur Products Labeling Act.

(b) Failed to disclose that fur products contained or were composed of bleached, dyed or otherwise artificially colored fur, when such was the fact, in violation of Section 5(a)(3) of the Fur Products Labeling Act.

(c) Contained the name or names of an animal or animals other than those producing the fur contained in the fur product, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

(d) Failed to disclose the name of the country of origin of the imported furs contained in the fur products, in violation of Section 5(a)(6) of the Fur Products Labeling Act.

(e) Represented through percentage savings claims such as "save 1/2 and more" that prices of fur products were reduced in direct proportion to the percentage of savings stated when such was not the fact in violation of Section 5(a)(5) of the Fur Products Labeling Act.

(f) Represented that fur products offered for sale were "rental garments" when such was not the fact in violation of Section 5(a)(5) of the Fur Products Labeling Act.

(g) Contained information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder which was not set forth in type of equal size

and conspicuousness and in close proximity with each other, in violation of Rule 38(a) of said Rules and Regulations.

PAR. 7. In advertising fur products for sale as aforesaid respondents made pricing claims and representations of the type covered by subsections (a), (b), (c) and (d) of Rule 44 of the Regulations under the Fur Products Labeling Act.

Respondents in making such pricing 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.

PAR. 8. The aforesaid acts and practices of respondents, 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 in commerce under the Federal Trade Commission Act.

Mr. Robert W. Lowthian, supporting the complaint.

Blumenfeld, Abrams & Daniel, of St. Louis, Mo., by *Mr. Selden Blumenfeld* for respondents Quality Thrift Furs, Inc., Hopper Fur Company, Inc., Sylvia B. Hopper, Earl Hopper and Edward Hopper.

INITIAL DECISION BY WILLIAM K. JACKSON, HEARING EXAMINER

This proceeding was brought pursuant to the provisions of the Federal Trade Commission Act and the Fur Products Labeling Act by the issuance of a complaint on October 11, 1961, charging the above-named corporate respondents and the individual respondents with violations of both Acts by misbranding and falsely and deceptively labeling and advertising certain of their fur products.

By an amended joint answer filed January 15, 1962, Quality Thrift Furs, Inc., and Hopper Fur Company, Inc., the corporate respondents, and Sylvia B. Hopper, Earl Hopper, individually and as officers of said corporations, and Edward Hopper, individually and as manager of said corporations, admitted all the material allegations of the complaint and waived any hearing in the matter pursuant to Section 4.5(b)(2) of the Commission's Rules of Practice for Adjudicative Proceedings, effective July 21, 1961. The respondent Sig Tulper failed to file an answer within the time provided by the Commission's Rules of Practice for Adjudicative Proceedings and pursuant to Section 4.5(c) thereof is in default.

By order dated January 17, 1962, the hearing examiner afforded the parties an opportunity to file proposed findings of fact and conclusions of law by February 16, 1962. Counsel in support of the complaint filed proposed findings of fact and conclusions on Janu-

ary 31, 1962. Respondents did not avail themselves of the opportunity. Based upon the allegations of the complaint, the amended answer admitting the material allegations of the complaint, and after giving consideration to the proposed findings and conclusions submitted by counsel in support of the complaint; the hearing examiner makes the following findings as to the facts, conclusions drawn therefrom and order.

FINDINGS OF FACT

1. Respondent Quality Thrift Furs, Inc., is a corporation located at 501 North Seventh Street, St. Louis, Mo. Respondent Hopper Fur Company, Inc., is a corporation located at 425 North Seventh Street, St. Louis, Mo. The individual respondents Sylvia B. Hopper and Earl Hopper are officers in both of the said corporations. Individual respondent Edward Hopper is manager of both corporations and individual respondent Sig Tulper is a salesman of Quality Thrift Furs, Inc. All individual respondents control, direct and formulate the acts, practices and policies of the said corporate respondents. The office and principal place of business of all individual respondents is the same as that of the Hopper Fur Company, Inc.

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 sale, advertising, and offering for sale, in commerce, and in the transportation and distribution, in commerce, of fur products; and have 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 commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act.

3. Certain of said fur products were misbranded in that labels affixed thereto contained fictitious prices and misrepresented the regular retail selling prices of such fur products, in that the prices represented on such labels as the regular prices of the fur products were in excess of the retail prices at which the respondents usually and regularly sold such fur products in the recent regular course of business, in violation of Section 4(1) of the Fur Products Labeling Act.

4. Certain of said fur products were misbranded by being falsely and deceptively labeled in that labels affixed to fur products contained representations that the fur products were "samples" when such was not the fact, in violation of Section 4(1) of the Fur Products Labeling Act.

5. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that respondents caused the dissemination in commerce, as "commerce" is defined in said Act, of certain newspaper advertisements, concerning said products, which were not in accordance with the provisions of Section 5(a) of the said Act and the Rules and Regulations promulgated thereunder; and which advertisements were intended to aid, promote and assist, directly or indirectly, in the sale and offering for sale of said fur products.

6. Among and included in the advertisements as aforesaid, but not limited thereto were advertisements of respondents which appeared in issues of the St. Louis Globe Democrat and St. Louis Post Dispatch, newspapers published in the city of St. Louis, State of Missouri, and having a wide circulation in said State and various other States of the United States.

By means of said advertisements and others of similar import and meaning, not specifically referred to herein, respondent falsely and deceptively advertised fur products in that said advertisements:

(a) Failed to disclose the name or names of the animal or animals that produced the fur contained in the fur product as set forth in the Fur Products Name Guide, in violation of Section 5(a)(1) of the Fur Products Labeling Act.

(b) Failed to disclose that fur products contained or were composed of bleached, dyed or otherwise artificially colored fur, when such was the fact, in violation of Section 5(a)(3) of the Fur Products Labeling Act.

(c) Contained the name or names of an animal or animals other than those producing the fur contained in the fur product, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

(d) Failed to disclose the name of the country of origin of the imported furs contained in the fur products, in violation of Section 5(a)(6) of the Fur Products Labeling Act.

(e) Represented through percentage savings claims such as "save 1/2 and more" that prices of fur products were reduced in direct proportion to the percentage of savings stated when such was not the fact, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

(f) Represented that fur products offered for sale were "rental garments" when such was not the fact, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

(g) Contained information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promul-

Initial Decision

60 F.T.C.

gated thereunder which was not set forth in type of equal size and conspicuousness and in close proximity with each other, in violation of Rule 38(a) of said Rules and Regulations.

7. In advertising fur products for sale as aforesaid respondents made pricing claims and representations of the type covered by subsections (a), (b), (c) and (d) of Rule 44 of the Regulations under the Fur Products Labeling Act.

Respondents, in making such pricing 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.

CONCLUSIONS

1. The Federal Trade Commission has jurisdiction of and over respondents and the subject matter of this proceeding.
2. The complaint herein states a cause of action, and this proceeding is in the public interest.
3. The aforesaid acts and practices of said respondents in misbranding and falsely and deceptively labeling and advertising their fur products, as hereinabove found, were in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constituted unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER

It is ordered, That Quality Thrift Furs, Inc., a corporation, and its officers, and Hopper Fur Company, Inc., a corporation, and its officers, and Sylvia B. Hopper and Earl Hopper, individually and as officers of both corporations, and Edward Hopper, individually and as manager of both corporations, and Sig Tulper, individually and as a salesman of Quality Thrift Furs, Inc., 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:

A. Falsely or deceptively labeling or otherwise identifying such products as to the regular prices or values thereof by any representa-

tion that the regular or usual prices of such products are any amount in excess of the prices at which respondents have usually and customarily sold such products in the recent regular course of business.

B. Representing directly or by implication on labels that fur products are "samples" or words of similar import, when such is not the fact.

2. Falsely or deceptively advertising fur products through the use of any advertisement, representations, 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. Fails to disclose:

(1) The name or names of the animal or animals producing the fur or furs contained in the fur product, as set forth in the Fur Products Name Guide, and as prescribed under the Rules and Regulations;

(2) That the fur product contains or is composed of bleached, dyed or otherwise artificially colored fur, when such is the fact;

(3) The name of the country of origin of any imported furs contained in a fur product.

B. Sets forth the name or names of any animal or animals other than the name or names specified in the Fur Products Name Guide and as prescribed under the Rules and Regulations.

C. Represents directly or by implication through percentage savings claims that prices of fur products are reduced in direct proportion to the percentage of savings stated when such is not the fact.

D. Represents directly or by implication that fur products offered for sale are "rental garments" or words of similar import when such is not the fact.

E. Fails to set forth the information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in type of equal size and conspicuousness and in close proximity with each other.

3. Making pricing claims and representations of the types covered by subsections (a), (b), (c) and (d) of Rule 44 of the Regulations under the Fur Products Labeling Act, unless there are 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 4.19 of the Commission's Rules of Practice, effective July 21, 1961, the initial decision of the hearing examiner shall on the 6th day of April 1962, become the decision of the Commission; and, accordingly:

