

to purchasers of respondents' merchandise or the amount by which the price of said merchandise has been reduced from the price at which it is usually and regularly sold at retail by the respondents, or in the trade area or areas where the representations are 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
KORMA TEXTILE MILLS, INC., ET AL.

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

Docket C-115. Complaint, Apr. 16, 1962—Decision, Apr. 16, 1962

Consent order requiring New York City jobbers of textile fabrics to cease representing falsely, through use of the word "Mills" in their corporate and trade names, that they manufactured their fabrics in their own factories.

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 Korma Textile Mills, Inc., a corporation, and Julius Mauler, individually and as an officer 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 Korma Textile Mills, Inc., is a corporation, organized, existing and doing business under the laws of the State of New York, with its principal office and place of business located at 457 Broadway, New York 13, N.Y.

Respondent Julius Mauler is an officer of the corporate respondent. He formulates the policies and directs and controls the acts and prac-

tices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are jobbers of textile fabrics and are now, and for some time last past, have been engaged in the advertising, offering for sale, sale and distribution of said fabrics.

PAR. 3. In the course and conduct of their business, respondents now cause, and for sometime last past have caused, their 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 of 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 textile fabrics, respondents do business under the name of Korma Textile Mills, Inc., and Korma Textile Mills, and use said names on letterheads, labels and in various advertisements of their products.

PAR. 5. Through the use of the word "Mills" as part of the respondents' corporate and trade names, 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 or operate the mills or factories in which the textile fabrics sold by them are manufactured, but they buy said fabrics from others.

PAR. 7. There is a preference on the part of many manufacturers, retailers and dealers 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 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 textile fabrics of the same general kind and nature as those 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 retailers and other 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.

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 Korma Textile 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 457 Broadway, in the city of New York, State of New York.

Respondent Julius Mauler is an officer of said corporation, and his 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 Korma Textile Mills, Inc., a corporation, and its officers, and Julius Mauler, individually and as an officer 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,

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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 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

ORTON P. HESSER DOING BUSINESS AS O. P. HESSER
BROKERCONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
SEC. 2 (c) OF THE CLAYTON ACT

Docket C-116. Complaint, Apr. 16, 1962—Decision, Apr. 16, 1962

Consent order requiring a broker in Salt Lake City, Utah, to cease violating Sec. 2(c) of the Clayton Act by receiving and accepting brokerage on numerous and substantial purchases of food products for his own account for resale, such as a discount, usually at the rate of 10¢ per 1½ bushel box, on purchases of citrus fruit from a number of Texas packers.

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 Orton P. Hesser is an individual doing business as O. P. Hesser Broker under and by virtue of the laws of the State of Utah, with his office and principal place of business located at 428 Southwest Temple Street, Salt Lake City, Utah.

PAR. 2. Respondent is now, and for the past several years has been, engaged primarily in the brokerage business, representing a number of packer-principals located in various sections of the United States, in connection with the sale and distribution of citrus fruit and produce, hereinafter sometimes referred to as food products. In par-

ticular, respondent represents a number of citrus fruit packers located in the State of Texas in the sale and distribution of citrus fruit, for which respondent was and is paid for his services in connection therewith a brokerage or commission, usually at the rate of ten cents per $1\frac{3}{5}$ bushel box, or equivalent. A substantial part of respondent's business is acting in the capacity of a buying broker, purchasing citrus fruit and produce for his own account for resale.

PAR. 3. In the course and conduct of his business for the past several years, in representing packer-principals, as well as when purchasing for his own account, respondent has, directly or indirectly, caused such citrus fruit or food products, when sold or purchased, to be shipped and transported from various packers' packing plants or places of business located in the State of Texas to respondent's customers located in many states other than the State of Texas. Thus, for the past several years, respondent has been, and is now, engaged in a continuous course of trade in commerce, as "commerce" is defined in the aforesaid Clayton Act, as amended.

PAR. 4. In the course and conduct of his business in commerce, as aforesaid, during the past several years, but more particularly since January 1, 1960, to the present time, respondent has made, and is now making, numerous and substantial purchases of food products for his own account for resale from various packers or sellers on which purchases he has received and accepted, and is now receiving and accepting, directly or indirectly, something of value as a commission, brokerage, or other compensation, or an allowance or discount in lieu thereof, in connection therewith. For example, respondent has made, and is now making, substantial purchases of citrus fruit for his own account from a number of packers located in the State of Texas, which fruit is shipped and transported to customers located outside the State of Texas, and on said purchases respondent receives from the packer a brokerage or commission, or a discount in lieu thereof, usually at the rate of ten cents per $1\frac{3}{5}$ bushel box, or equivalent. In other instances respondent receives a lower price from the packer, which reflects said brokerage or commission.

PAR. 5. The acts and practices of respondent in receiving and accepting a brokerage or commission, or an allowance or discount in lieu thereof, on his own purchases, as herein 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

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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 Orton P. Hesser is an individual doing business as O. P. Hesser Broker under and by virtue of the laws of the State of Utah, with his office and principal place of business located at 428 Southwest Temple Street, Salt Lake City, Utah.

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

ORDER

It is ordered, That respondent Orton P. Hesser, individually and doing business as O. P. Hesser Broker, and respondent's agents, representatives, and employees, directly or through any corporate, partnership, sole proprietorship, or other device, in connection with the purchase of citrus fruit or produce in commerce, as "commerce" is defined in the Clayton Act, as amended, do forthwith cease and desist from:

Receiving or accepting, directly or indirectly, from any seller, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, upon or in connection with any purchase of citrus fruit or produce for respondent's own account, or where respondent is the agent, representative, or other intermediary acting for or in behalf, or is subject to the direct or indirect control, of any buyer.

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 in which he has complied with this order.

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IN THE MATTER OF

BGS SHOE CORPORATION ET AL.

CONSENT ORDER ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-117. Complaint, Apr. 16, 1962—Decision, Apr. 16, 1962*

Consent order requiring manufacturers of ladies' shoes and slippers in Manchester, N.H., to cease representing falsely in advertisements in trade publications and on their shoe boxes—by such wording as “. . . DEERSKIN casuals . . .” and “. . . fabulous DEERTAN casuals . . .”—that their shoes were made from leather produced from deer hides.

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 BGS Shoe Corporation, a corporation, and Eli A. Cohen, William Lubell, Peter S. Freedman, and Arnold J. Cohen, individually and as officers of BGS Shoe 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 BGS Shoe Corporation is a corporation, organized, existing and doing business under and by virtue of the laws of the State of New Hampshire with its principal office and place of business located at Millyard at Stark Street, Manchester, N.H. Individual respondents Eli A. Cohen, William Lubell, Peter S. Freedman and Arnold J. Cohen are officers of said corporation. They formulate, direct and control the policies of the corporate respondent. The address of the individual respondents 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 manufacture, advertising, offering for sale, sale and distribution of ladies' shoes and slippers 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, said ladies' shoes and slippers, when sold, to be shipped from their place of business in the State of New Hampshire to the purchasers thereof located in other States of the United States and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said shoes and slippers in commerce, as “commerce” is defined in