
IN THE MATTER OF
GREEN'S FURS, 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-241. Complaint, Sept. 21, 1962—Decision, Sept. 21, 1962

Consent order requiring Gary, Ind., furriers to cease violating the Fur Products Labeling Act by, among other things, failing to show the name of the manufacturer, etc., on labels on fur products; failing, in newspaper advertising, to disclose the names of animals producing furs, and to set forth the disclosure "secondhand" where required; representing falsely that fur products were being closed out "at less than half price", and that uncalled for lay-away furs could be bought for the balance due when the prices listed as "original" were fictitious; and failing to maintain adequate records as a basis for price and value claims.

Complaint

61 F.T.C.

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 Green's Furs, Inc., a corporation, and Herman Zweiban, Ethel Zweiban and Robert Fox, individually and as officers of the 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 Green's Furs, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana with its office and principal place of business located at 656 Broadway, Gary, Ind.

Individual respondents Herman Zweiban, Ethel Zweiban, and Robert Fox are officers of the said corporate respondent and control, direct, and formulate 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.

The corporate respondent and the individual respondents retail fur products.

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 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 that were not labeled with any of the information required under the said Act and said Rules and Regulations, and fur products with labels which failed to show the name or other identification issued and registered by the Commission of one or more of the

persons who manufactured any such fur product for introduction into commerce, introduced it in commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce.

PAR. 4. 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:

1. 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.

2. Required item numbers were not set forth on labels, in violation of Rule 40 of said Rules and Regulations.

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

Said advertisements were intended to aid, promote and assist, directly or indirectly, in the sale and offering for sale of said fur products.

Among and included in the advertisements as aforesaid, but not limited thereto, were advertisements of respondents which appeared in issues of the Gary Post-Tribune, a newspaper published in the city of Gary, State of Indiana.

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 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.

PAR. 6. In advertising fur products as aforesaid, respondents falsely and deceptively advertised certain of said fur products in violation of the Fur Products Labeling Act in that they were not advertised in accordance with the Rules and Regulations promulgated thereunder inasmuch as the advertisements failed to set forth the disclosure "secondhand", where required, in violation of Rule 23 of said Rules and Regulations.

PAR. 7. In advertising fur products for sale as aforesaid respondents represented through percentage savings claims such as "We refuse to carry over a single fur garment—and are closing out each item in stock at less than half price", 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 and Rule 44(a) of the Rules and Regulations.

PAR. 8. Respondents, by the means hereinbefore alleged, in advertising that certain uncalled for lay away fur products could be purchased for the balance due, falsely and deceptively advertised such fur products, in violation of Section 5(a)(5) of the Fur Products Labeling Act by representing through comparative prices under the designations of "originally sold for" and "balance due" that such fur products were originally sold for certain stated prices, whereas in truth and in fact, the prices listed as the "originally sold for" prices were fictitious in that they were in excess of the prices at which respondents originally sold such fur products.

PAR. 9. Respondents 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. Respondents 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.

PAR. 10. 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 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 Green's Furs, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana with its office and principal place of business located at 656 Broadway, Gary, Ind.

Respondents Herman Zweiban, Ethel Zweiban, and Robert Fox are officers of the said corporation and their address is the same as that of the 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 Green's Furs, Inc., a corporation, and its officers, and Herman Zweiban, Ethel Zweiban and Robert Fox, individually and as officers of the said corporation, 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 any fur product, or in connection with the 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. Failing to set forth separately on labels attached to fur products composed of two or more sections containing different animal furs the information required to be disclosed 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.

C. Failing to set forth on labels the item number or mark assigned to a fur product.

2. Falsely or deceptively advertising fur products, through the use of any advertisement, representation, 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 show in words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(a) of the Fur Product Labeling Act.

B. Fails to disclose that fur products are secondhand when such is the fact.

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 were previously sold by respondents at prices higher than respondents sold such fur products.

E. Misrepresents in any manner the savings available to purchasers of respondents fur products.

3. Making 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 respondents full and adequate records disclosing the facts upon which such claims and representations are based.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

Complaint

IN THE MATTER OF

SAMUEL MURROW AND COMPANY ET AL.

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

Docket C-242. Complaint, Sept. 21, 1962—Decision, Sept. 21, 1962

Consent order requiring Chicago wholesaler-retailers of wool and fur products to cease violating the Fur Products Labeling Act by labeling fur products with excessive prices represented thereby as regular selling prices, labeling imported furs as originating in the United States, failing to show on labels the name of the manufacturer, etc., and the country of origin of imported furs; failing, in newspaper advertising, to disclose that fur products contained artificially colored fur and to reveal when the fur was natural, falsely representing in advertisements that prices of fur products had been drastically reduced when so-called "regular" prices listed were fictitious; and failing to keep adequate records as a basis for price and value claims; and to cease violating the Wool Products Labeling Act by affixing fictitious price labels to wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 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 Samuel Murrow and Company, a corporation, and Irving Silverman, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act of 1939 and 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 Samuel Murrow and Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois with its office and principal place of business located at 318 West Adams Street, Chicago, Ill.

Respondent Irving Silverman is president of the said corporate respondent and controls, directs and formulates the acts, practices and policies of the said corporate respondent. His office and principal place of business is the same as that of the said corporate respondent.

Respondents are wholesalers and retailers of wool and fur products.