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Complaint

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.

IN THE MATTER OF

EXCEL PRODUCTS, INC., ET AL.

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

Docket C-261. Complaint, Oct. 26, 1962—Decision, Oct. 26, 1962

Consent order requiring Philadelphia distributors of aluminum storm-screen windows and doors, aluminum and fiberglass awnings, carports and patio covers, to cease using bait advertising in newspapers and misleading statements of salesmen to obtain leads to interested prospects; representing falsely, in such connection, that their products were on sale for three days only at a special price, which was in fact the regular price; and representing falsely that the advertised products were as pictured and included an ornamental grill and monogram on the storm door, and that repairs and adjustments would be made as guaranteed.

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 Excel Products, Inc., a corporation, and Jerome Albert, individually and as an officer of said corporation, and Hannah Gendal and Harriet Albert, 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 Excel Products, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania with its office and principal place of business located at 1717 North 54th Street, Philadelphia, Pa.

Respondents Jerome Albert, Hannah Gendal and Harriet Albert are officers of the said corporate respondent. Respondent Jerome Albert formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. The address of the individual respondents, is the same as that of the corporate respondent.

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PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of aluminum storm-screen windows and doors, aluminum and fiberglass awnings, carports and patio covers and other related products.

PAR. 3. In the course and conduct of their business, respondents cause, and for some time last past have caused, their said products to be shipped from their place of business in the State of Pennsylvania to purchasers thereof located 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, and for the purpose of inducing the sale of their aluminum and fiberglass products, respondents have made certain statements and representations in newspapers of general circulation and through other means, typical of which, but not all inclusive, are the following:

3-DAY	WE DO THE
SALE	WHOLE JOB
[Picture of aluminum patio cover]	
Installation included. Wrought iron rails extra. Other sizes priced proportionately.	
	SPECIAL
	\$109
	8' x 12'
	Complete
COUNT 'EM 6	
[Picture of six storm windows with top half in screens.]	
	Self-Storing
	Triple-Track
	2 Glass 1 Screen
	ALUMINUM
	COMBINATION
	SCREEN STORM
ALL 6 FOR ONLY	
\$49.50	
COMPLETELY INSTALLED	
No Size Restrictions	
No Other Charges	
THIS WEEK'S SPECIAL	
WELDED ALUMINUM DOOR	
ALL HARDWARE	(Picture of
\$22.50	Aluminum
Completely Installed	Door)
With the Purchase of 6 Windows	

PAR. 5. By means of the statements in the aforesaid advertisements, and others of a similar nature not specifically set out herein, and

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through oral statements made by their salesmen, respondents have represented, directly or by implication:

1. That they are making a bona fide offer to sell the products advertised at the prices set forth in the advertisements.
2. That they were offering the advertised products for sale at a special price for three days only.
3. That the advertised products were as pictured and included an ornamental grill and monogram on the storm door, and that the same would be completely installed at the prices listed.
4. That respondents will make repairs or adjustments pursuant to the terms of their guarantee.

PAR. 6. In truth and in fact:

1. The offers set forth in paragraph 4 above were not bona fide offers, but were made for the purpose of obtaining leads and information as to persons interested in the purchase of respondents' products. After obtaining such leads through response to such advertisements and calling upon such persons, respondents and their salesmen made no effort to sell the advertised products at the advertised prices, but instead discouraged the purchase of said initially offered products by various methods, including, but not confined to, disparaging said products by words or acts and showing or demonstrating products not having the advertised characteristics or which were unsuitable, unusable or impractical for the purpose represented or implied in said initial offer. As a result of the foregoing practices, respondents seldom, if ever, sell the initially offered products but instead succeed in selling prospects higher priced products.

2. The advertised products were not on sale at a special price for three days only. In fact, said merchandise is advertised regularly at the represented prices. This practice is used in conjunction with the charge set forth in subparagraph (1) above.

3. The storm door does not include the ornamental grill or a monogram, as pictured, at the price listed.

4. Respondents in many instances do not make repairs or adjustments in accordance with their guarantee.

Therefore, the statements and representations referred to in paragraphs 4 and 5 are false, misleading and deceptive.

PAR. 7. In the course and conduct of their business, and at all times mentioned herein, respondents have been in substantial competition in commerce with corporations, firms and individuals engaged

in the sale of products of the same general kind and nature as those sold by respondents.

PAR. 8. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity to mislead members of the purchasing public into the erroneous and mistaken belief that such 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. 9. 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, Excel Products, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business located at 1717 North 54th Street in the City of Philadelphia, State of Pennsylvania.

Respondents Jerome Albert, Hannah Gendal and Harriet Albert are officers of said corporation, and their address is the same as that of said corporation.

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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 Excel Products, Inc., a corporation, and its officers and Jerome Albert, individually and as an officer of said corporation and Hannah Gendal and Harriet Albert, 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 aluminum storm-screen windows and doors, aluminum or fiberglass awnings, carports and patio covers, or any other merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or indirectly, that merchandise is offered for sale, when such offer is not a bona fide offer to sell the merchandise so offered;
2. Representing, directly or indirectly, that merchandise is sold at a special or reduced price unless such price constitutes a reduction from the price at which the merchandise has been usually and regularly sold by respondents in the recent regular course of business;
3. Representing, directly or indirectly, that a sale is limited to three days, or any other time, contrary to fact;
4. Representing, pictorially or otherwise that products offered for sale at a stated price include certain construction or features when such products do not include such construction or features at the price stated;
5. Representing, directly or indirectly, that any products are guaranteed unless respondents do in fact fulfill all the requirements of the terms of their guarantees.

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.

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IN THE MATTER OF

MORRIS HESSEL, 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-262. Complaint, Oct. 31, 1962—Decision, Oct. 31, 1962

Consent order requiring New York City furriers to cease violating the Fur Products Labeling Act by failing to disclose on invoices that furs were artificially colored, and in invoicing and advertising that they were natural, when such was the case; advertising prices of fur products falsely as reduced; failing to label and invoice fur products with the required information; and failing to keep adequate records as a basis for pricing claims.

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 Morris Hessel, Inc., a corporation, and Morris Hessel, 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 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 Morris Hessel, 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 231 West 29th Street, New York, N.Y.

Individual respondent Morris Hessel 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.

The corporate respondent and the individual respondent 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