

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

CAL-TECH SYSTEMS, INC., ET AL.

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

Docket C-303. Complaint, Jan. 24, 1963—Decision, Jan. 24, 1963

Consent order requiring Glendale, Calif., manufacturers of aluminum windows sold under the trade names "Realco" and "Rolleze", to cease representing falsely in advertising in trade papers, brochures, circulars, etc., on labels and by statements of salesmen that their windows equaled or exceeded specifications adopted by the Aluminum Window Manufacturers Association or the Federal Housing Administration, and had been regularly tested and approved by an independent testing agency or other organization.

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 Cal-Tech Systems, Inc., a corporation and Ivan A. Ezrine, individually and as an officer of said corporation, and Extrusion Corporation of America, a corporation and Frank J. Schnoor, individually and as a former officer of said corporation, and Jack I. Salzberg, individually and as an officer of each of said corporations, 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

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the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Cal-Tech Systems, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its main office and principal place of business located at 5454 San Fernando Road, Glendale, Calif. Respondent Ivan A. Ezrine is an individual and an officer of said corporate respondent. His address is the same as that of the main office of said corporate respondent.

Respondent Extrusion Corporation of America is a corporation organized, existing and doing business under and by virtue of the laws of the State of California. It is a wholly owned subsidiary of respondent Cal-Tech Systems, Inc., and has its main office and principal place of business at 5454 San Fernando Road, Glendale, Calif. Respondent Frank J. Schnoor is an individual and a former officer of said corporate respondent. His address is 25525 Adobe Hills, Los Altos, Calif.

Respondent Jack I. Salzberg is an individual and an officer of each of said corporate respondents. His address is the same as that of the main office of said corporate respondents. Respondents Ivan A. Ezrine and Jack I. Salzberg formulate, direct and control the policies, acts and practices of the said corporate respondents, including those practices hereinafter set out.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the manufacture, offering for sale, sale and distribution of aluminum windows under the trade names "Realco" and "Rolleze" 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, their said products, when sold, to be shipped from their place of business in the State of California, 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. Respondents, in the course and conduct of their business and for the purpose of inducing the sale of said products, have placed and caused to be placed, advertisements in trade papers circulated among prospective purchasers and have distributed brochures, circulars and similar material to prospective purchasers. Respondents have also placed on, and affixed labels to, said products. Among and

typical, but not all inclusive of the statements appearing in said advertising material and on said labels, are the following:

Horizontal Rolling Windows * * * Realco Sliding Windows equal or exceed the specifications as set forth by the AWMA, DS-AL. Certified copies of results of independent laboratory tests are available.

This window surpasses F.H.A. Specifications for Aluminum Sliding Windows. Tested & Passed, Rolleze Supreme, Test Reports on File, Quality Approved Aluminum Windows.

PAR. 5. By means of the aforesaid quoted statements and others of like import not specifically set out herein, and through statements made verbally by respondents' agents and salesmen to prospective purchasers, respondents have represented, directly or by implication, that:

1. Their aluminum windows equal or exceed the specifications adopted by the Aluminum Window Manufacturers Association for said type or class of windows.

2. Their aluminum windows equal or exceed the specifications adopted by the Federal Housing Administration for said type or class of windows.

3. Their aluminum windows have been regularly tested and approved by an independent testing agency or other organization.

PAR. 6. In truth and in fact:

1. The aluminum windows made and sold by respondents do not equal or exceed the specifications adopted by the Aluminum Window Manufacturers Association for said type or class of windows.

2. The aluminum windows made and sold by respondents do not equal or exceed the specifications adopted by the Federal Housing Administration for said type or class of windows.

3. The aluminum windows made and sold by respondents have not been regularly tested or approved by an independent testing agency or other organization.

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

PAR. 7. At all times herein mentioned respondents have been, and are, in substantial competition in commerce, with corporations, firms and individuals 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 aforementioned false, misleading and deceptive statements, representations and practices has had, and now has the capacity and tendency to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such statements were, and are, true, and into the

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purchase of substantial quantities of respondents' products because of said mistaken and erroneous 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 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 Cal-Tech Systems, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 5454 San Fernando Road, Glendale, California. Respondent, Ivan A. Ezrine, is an officer of said corporation and his address is the same as that of said corporation.

Respondent Extrusion Corporation of America is a corporation organized, existing and doing business under and by virtue of the laws of the State of California. It is a wholly owned subsidiary of respondent Cal-Tech Systems, Inc., and has the same office and principal place of business at 5454 San Fernando Road, Glendale, California. Respondent Frank J. Schnoor is a former officer of said corporation. His address is 25525 Adobe Hills, Los Altos, California.

Respondent Jack I. Salzberg is an officer of each of said corporate respondents, and his address is the same as that of said corporate respondents.

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, Cal-Tech Systems, Inc., a corporation, and its officers and Ivan A. Ezrine, individually and as an officer of said corporation, and Extrusion Corporation of America, a corporation, and its officers, and the aforesaid corporate respondents' successors and assigns, and Frank J. Schnoor, individually, and Jack I. Salzberg, individually and as an officer of each of said corporations, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of aluminum windows or any related product or products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication,
 - a. That respondents' windows equal or exceed the specifications adopted by the Aluminum Window Manufacturers Association, unless, in fact, each such window sold conforms in every respect to said specifications.
 - b. That respondents' windows equal or exceed the specifications adopted by the Federal Housing Administration, unless, in fact, each such window sold conforms in every respect to said specifications.
 - c. That respondents' products conform to the specifications, standards or qualifications adopted or approved by any industry or governmental agency or other organization unless, in fact, such products conform in every respect to such specifications, standards or qualifications.
 - d. That respondents' products have been regularly tested or approved by an independent testing agency, or any other organization, unless said products have, in fact, been so tested or approved.
2. Misrepresenting in any manner the construction or performance of respondents' products, or the results of any test made thereon, or the extent of any approval given thereto.

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

MORGENSTEIN CREATIONS, 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-304. Complaint, Jan. 25, 1963—Decision, Jan. 25, 1963

Consent order requiring a New York City furrier to cease violating the Fur Products Labeling Act by failing to label fur products; failing to disclose on labels and invoices the true name of the animal producing the fur and when fur was secondhand; failing, on invoices, to show when fur products contained used fur and artificially colored fur, to use the term "natural" when required, and to show the name of the country of origin of imported furs, and using the term "blended" improperly; 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 Morgenstein Creations, Inc., a corporation, and Morris Morgenstein, 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 Morgenstein Creations, 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 312 Seventh Avenue, New York, N.Y.

Individual respondent Morris Morgenstein is an officer 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 manufacturers of 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 manufacture for introduction into commerce, and in the sale, advertising and offering for sale, in commerce, and in the transportation and distribution, in