

Complaint

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IN THE MATTER OF

YOUNKER BROTHERS, 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-519. Complaint, June 28, 1963—Decision, June 28, 1963

Consent order requiring Des Moines, Iowa, furriers to cease violating the Fur Products Labeling Act by failing to use the word "natural" on invoices and in advertising to describe fur products that were not artificially colored, and by representing falsely in newspaper advertisements—by use of such terms as "HUGE REDUCTIONS", "TERRIFIC MARKDOWNS", etc.—that prices were reduced from usual retail prices.

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 Younker Brothers, Inc., a corporation and State Fur Trading Company, a 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 Younker Brothers, 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 701 Walnut Street, Des Moines, Iowa. State Fur Trading 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 36 South State Street, Chicago, Illinois. The registered agent in the State of Iowa for the State Fur Trading Company is C. T. Corporation System, 1014 Savings and Loan Building, Des Moines, Iowa.

Respondent Younker Brothers, Inc., retails various commodities including fur products. Respondent State Fur Trading Company retails 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 falsely and deceptively invoiced in violation of the Fur Products Labeling Act, in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder, inasmuch as the term "natural" was not used to describe fur products that were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

PAR. 4. 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 Des Moines Register, a newspaper published in the city of Des Moines, State of Iowa.

By means of said advertisements and others of similar import and meaning, not specifically referred to herein, respondents falsely and deceptively advertised said fur products, in violation of Section 5(a)(5) of the Fur Products Labeling Act and Rule 44(a) of the said Rules and Regulations, by representing, directly or by implication, through such statements as "GREATEST JANUARY FUR CLEARANCE", "HUGE REDUCTIONS", "TERRIFIC MARK-DOWNS", "CHOICE OF HUNDREDS", that prices of fur products were reduced from respondents' regular or usual prices in the recent regular course of business when in truth and in fact the fur products thus advertised were not reduced from respondents' regular or usual prices in the recent regular course of business.

PAR. 5. In advertising fur products for sale 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 term "natural" was not used to describe fur products that were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

PAR. 6. The aforesaid acts and practices of respondents, as herein alleged, are in violation of the Fur Products Labeling Act and the

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Rules and Regulations promulgated thereunder and constitute unfair and deceptive acts and practices 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 Younker Brothers, 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 701 Walnut Street, in the city of Des Moines, State of Iowa.

Respondent State Fur Trading 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 36 South State Street, in the city of Chicago, State of Illinois. The registered agent in the State of Iowa for the State Fur Trading Company is C. T. Corporation System, 1014 Savings and Loan Building, Des Moines, Iowa.

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 Younker Brothers, Inc., a corporation, and its officers, and State Fur Trading Company, a corporation, and its officers 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,

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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. Falsely and deceptively invoicing fur products by failing to describe fur products as "natural" when such fur products are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

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. Represents directly or by implication that the retail prices of fur products are reduced from respondents usual or regular prices when in fact such retail prices are not reductions from respondents' usual or regular prices.

- B. Fails to describe fur products as "natural" when such fur products are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

It is further ordered, That each of 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

McCONNELL AIRLINE SCHOOL, INC., ET AL.