

Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

By the Commission, Commissioner MacIntyre not participating.

IN THE MATTER OF
LEON YOUNGER ET AL. TRADING AS YOUNGER'S

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

Docket C-589. Complaint, Sept. 17, 1963—Decision, Sept. 17, 1963

Consent order requiring Louisville, Ky., retail furriers, to cease violating the Fur Products Labeling Act by failing, on labels and invoices and in advertising, to show the true name of the animal producing a fur; to show the country of origin of imported products on tags and invoices, to use the word "natural" for unbleached furs in labeling and advertising; to show when furs were artificially colored and to disclose the country of origin of imported furs on labels; by invoicing and advertising fur products deceptively as to the animals that produced the fur; by representing prices of fur products falsely as reduced from so-called regular prices that were fictitious; by failing to maintain adequate records as a basis for pricing claims; and by 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 Leon Younger and Alvin Younger, individuals and copartners trading as Younger's, 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. Leon Younger and Alvin Younger are individuals and copartners trading as Younger's with their office and principal place of business located at 659 South Fourth Street, Louisville, Kentucky. Respondents are engaged in the retail sale 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 sale, advertising, and offering for sale, in commerce, and in the transportation and distribution, in commerce, of fur products; and have sold, advertised,

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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 with labels which failed:

1. To show the true animal name of the fur used in the fur product.
2. To disclose that the fur contained in the fur product was bleached, dyed, or otherwise artificially colored, when such was the fact.
3. To show the name or other identification issued and registered by the Commission of one or more of the persons who manufactured such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale in commerce, or transported or distributed it in commerce.
4. To show the country of origin of the imported furs used in the fur product.

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:

(a) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in abbreviated form in violation of Rule 4 of said Rules and Regulations.

(b) The term natural was not set forth to describe fur products when such fur products were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored in violation of Rule 19(g) of said Rules and Regulations.

(c) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in handwriting on labels in violation of Rule 29(b) of said Rules and Regulations.

(d) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth in the required sequence in violation of Rule 30 of said Rules and Regulations.

(e) 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.

(f) 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 invoiced by the respondents in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated under such Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were invoices pertaining to such fur products which failed:

1. To show the true animal name of the fur used in the fur product.
2. To show the country of origin of imported furs used in the fur product.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced with respect to the name or names of the animal or animals that produced the fur from which said fur products had been manufactured, in violation of Section 5(b)(2) of the Fur Products Labeling Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were fur products invoiced as "Broadtail", thereby implying that the furs contained in such fur products were entitled to the designation "Broadtail Lamb" when in truth and fact the furs contained therein were from a lamb processed to resemble the broadtail lamb.

PAR. 7. 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 in the following respects:

(a) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in abbreviated form in violation of Rule 4 of said Rules and Regulations.

(b) The term "Broadtail Lamb" was not set forth on invoices in the manner required, in violation of Rule 8 of said Rules and Regulations.

(c) The term "Dyed Broadtail-processed Lamb" was not set forth on invoices in the manner required, in violation of Rule 10 of said Rules and Regulations.

(d) The term natural was not used to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored in violation of Rule 19(g) of said Rules and Regulations.

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PAR. 8. Certain of said products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that said products were not advertised in accordance with the provisions of Section 5(a) of the said Act and 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 products.

Among and included in the advertisements as aforesaid, but not limited thereto, were advertisements of respondents which appeared in the Courier-Journal, a newspaper published in the city of Louisville, State of Kentucky.

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 products as set forth in the Fur Products Name Guide in violation of Section 5(a)(1) of the Fur Products Labeling Act.

PAR. 9. Respondents by means of the advertisements referred to in Paragraph 8 hereof and others of similar import and meaning not specifically referred to herein falsely and deceptively advertised fur products with respect to the name or names of the animal or animals that produced the fur from which said fur products had been manufactured, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

Among such falsely and deceptively advertised fur products, but not limited thereto, were fur products advertised as "Broadtail" thereby implying that the furs contained in such fur products were entitled to the designation "Broadtail Lamb" when in truth and fact the furs contained therein were from a lamb processed to resemble the broadtail lamb.

PAR 10. By means of the aforesaid advertisements and other advertisements of similar import and meaning not specifically referred to herein, respondents falsely and deceptively advertised fur products in that said advertisements represented that the prices of fur products were reduced from regular or usual retail prices and that the amount of such price reductions afforded savings to the purchasers of respondents' products, when the so-called regular or usual retail prices were in fact fictitious in that they were not the prices at which said merchandise was usually sold by respondents in the recent regular course of business and the represented savings were not thereby afforded to the purchasers, in violation of Section 5(a)(5) of the Fur Products

Labeling Act and Rule 44(a) of the Rules and Regulations promulgated under the said Act.

PAR. 11. 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. 12. Respondents by the means herein before alleged falsely and deceptively advertised fur products in violation of the Fur Products Labeling Act, in that said fur products were not advertised in accordance with the Rules and Regulations promulgated thereunder.

Among such advertisements, but not limited thereto, were advertisements which:

(a) Failed to set forth the term "Dyed Broadtail-processed Lamb" in the manner required, in violation of Rule 10 of said Rules and Regulations.

(b) Failed to use the term natural to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored in violation of Rule 19(g) of said Rules and Regulations.

PAR. 13. 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. Respondents, Leon Younger and Alvin Younger are individuals and copartners trading as Younger's with their office and principal place of business located at 659 South Fourth Street, in the city of Louisville, State of Kentucky.

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 Leon Younger and Alvin Younger individually and as copartners trading as Younger's or under any other trade name 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. Setting forth on labels affixed to fur products:

(1) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

(2) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting.

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

D. Failing to set forth on labels the item number or mark assigned to fur products.

E. Failing to set forth separately on labels attached to fur products composed of two or more sections containing different animal furs the information required 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.

F. Failing to set forth the information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in the sequence required by Rule 30 of the aforesaid Rules and Regulations.

2. Falsely or deceptively invoicing fur products by:

A. Failing to furnish invoices to purchasers of fur products showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

B. Falsely or deceptively invoicing any such product as to the name or designation of the animal or animals that produced the fur from which the fur product was manufactured.

C. Failing to set forth the term "Broadtail Lamb" in the manner required where an election is made to use that term in lieu of the word "Lamb".

D. Failing to set forth the term "Dyed Broadtail-processed Lamb" on invoices in the manner required where an election is made to use that term in lieu of the term "Dyed Lamb".

E. Setting forth information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

F. Failing to describe as natural fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. 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 set forth all the information required to be disclosed by each of the subsections of Section 5(a) of the Fur Products Labeling Act.

B. Contains any form of misrepresentation or deception, directly or by implication, as to the name or designation of the animal or animals that produced the fur from which the fur product was manufactured.

C. Fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term in lieu of the term "Dyed Lamb".

D. Represents that any price, when accompanied or unaccompanied by any descriptive language, was the price at which the merchandise advertised was usually and customarily sold at retail by the respondents unless such advertised merchandise was in fact usually and customarily sold at retail at such price by the respondents in the recent past.

E. Misrepresents directly or by implication that savings are available to purchasers of respondents' fur products.

F. Fails to use the term natural to describe fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

4. 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.

IN THE MATTER OF

THE KRAMER FUR CO., INC., TRADING AS KRAMER'S

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

Docket C-590. Complaint, Sept. 17, 1963—Decision, Sept. 17, 1963

Consent order requiring New Haven, Conn., retail furriers to cease violating the Fur Products Labeling Act by failing, in invoicing and newspaper advertising, to show the true animal name of fur, to disclose when fur was artificially colored, and to use the terms "Natural" and "Persian Lamb" as required; to identify the person issuing an invoice and to show, on invoices, the country of origin of imported furs; 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 The Kramer Fur Co., Inc., a corporation, trading as Kramer's, hereinafter referred to as respondent has 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 The Kramer Fur Co., Inc., doing business as Kramer's is a corporation organized, existing and doing business under and by virtue of the laws of the State of Connecticut.

Respondent is a retailer of fur products with its office and principal place of business located at 191 Orange Street, New Haven, Connecticut.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondent has been and is 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 has sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of furs which have 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 by the respondent in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated under such Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were fur products covered by invoices which failed:

1. To show the true animal name of the fur used in the fur product.
2. To disclose that the fur contained in the fur product was bleached, dyed, or otherwise artificially colored, when such was the fact.
3. To show the name and address of the person issuing such invoice.
4. To show the country of origin of imported furs used in fur products.

PAR. 4. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they

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were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth on invoices in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) The term "Persian Lamb" was not set forth on invoices in the manner required by law, in violation of Rule 8 of said Rules and Regulations.

(c) The term "Dyed Broadtail-processed Lamb" was not set forth on invoices in the manner required by law, in violation of Rule 10 of said Rules and Regulations.

(d) The term "natural" was not used on invoices to describe fur products which were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

(e) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth separately on invoices 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.

PAR. 5. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that certain advertisements intended to aid, promote and assist, directly or indirectly, in the sale and offering for sale of such fur products were not in accordance with the provisions of Section 5(a) of the said Act.

Among and included in the aforesaid advertisements but not limited thereto, were advertisements of respondent which appeared in issues of the New Haven Register, a newspaper published in the city of New Haven, State of Connecticut.

Among such false and deceptive advertisements, but not limited thereto, were advertisements which failed:

1. To show the true animal name of the fur used in the fur product.

2. To show that the fur contained in the fur product was bleached, dyed, or otherwise artificially colored, when such was the fact.

PAR. 6. By means of the aforesaid advertisements and others of similar import and meaning not specifically referred to herein, respondent falsely and deceptively advertised fur products in violation of the Fur Products Labeling Act in that the said fur products were

not advertised in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) The term "Persian Lamb" was not set forth in the manner required, in violation of Rule 8 of the said Rules and Regulations.

(b) The term "natural" was not used to describe fur products which were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of the said Rules and Regulations.

PAR. 7. The aforesaid acts and practices of respondent, 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 respondent named in the caption hereof with violation of the Federal Trade Commission Act and the Fur Products Labeling Act, 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 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 The Kramer Fur Co., Inc., doing business as Kramer's is a corporation organized, existing and doing business under and by virtue of the laws of the State of Connecticut, with its office and principal place of business located at 191 Orange Street, New Haven, Connecticut.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

It is ordered, That respondent The Kramer Fur Co., Inc., a corporation, trading as Kramer's, and its officers, and respondent's 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 the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing in words and figures plainly legible all the information required to be disclosed in each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

2. Setting forth information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

3. Failing to set forth the term "Persian Lamb" in the manner required where an election is made to use that term instead of the word "Lamb".

4. Failing to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term instead of the words "Dyed Lamb".

5. Failing to set forth the term "Natural" as part of the information required to be disclosed on invoices under the Fur Products Labeling Act and Rules and Regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

6. Failing to set forth separately information required under Section 5(b)(1) of the Fur Products Labeling Act and Rules and Regulations promulgated thereunder with respect to each section of fur products composed of two or more sections containing different animal furs.

B. 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

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indirectly, in the sale, or offering for sale of any fur product, and which:

1. Fails to set forth 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 Products Labeling Act.

2. Fails to set forth the term "Persian Lamb" in the manner required where an election is made to use that term instead of the word "Lamb".

3. Fails to set forth the term "Natural" as part of the information required to be disclosed in advertisements under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

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

IN THE MATTER OF
LABOR DIGEST, INC., ET AL.

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

Docket C-591. Complaint, Sept. 17, 1963—Decision, Sept. 17, 1963

Consent order requiring New York City publishers of a magazine known as "Labor Digest", deriving a large part of their income from the sale of advertising space therein, to cease representing falsely to prospective advertisers that their said publication was endorsed by, affiliated with, or the official publication of, the AFL-CIO or other labor unions; intimidating business concerns by threats that if they did not purchase advertising space, their products would receive unfavorable treatment by labor union members; and placing advertisements of various concerns in their magazine without authorization and then seeking to exact payment therefor.

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 Labor Digest, Inc., a corporation, Ernest J. Modarelli and Harry B. Simon, individually

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and as officers of said corporation, and Alex Adler, Charles Cole and Ralph J. De Meo, individuals, 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 Labor Digest, 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 225 West 57th Street, New York 19, New York.

Respondents Ernest J. Modarelli and Harry B. Simon are individuals and officers of said corporation. Respondent Alex Adler is an individual and office manager of said corporation, and Charles Cole is an individual and the editor of Labor Digest magazine. The individual respondents formulate, direct and control the acts and practices of the corporate respondent including the acts and practices hereinafter set forth. Their address is the same as that of the corporate respondent.

Respondent Ralph J. De Meo is an individual and former officer of Labor Digest, Inc., and participated in the formulation, direction and control of the acts and practices of corporate respondent including the acts and practices hereinafter set forth. His address is 187 Front Street, New York 7, New York.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the publication of a magazine known as Labor Digest. Said magazine is published periodically and is caused by respondents to be circulated from its point of publication in one State to subscribers and purchasers located in various other States of the United States.

Further, respondents in the course and conduct of their business engage in extensive transactions involving the transmission of letters, advertising proofs, checks and other business instrumentalities and extensive transactions by long distance telephone, all between and among various States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said publication in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. A large part of respondents' income is derived from the sale of advertising space in Labor Digest to business concerns. Respondents and their duly authorized agents and representatives contact said business concerns by telephone and other means and seek to induce them to purchase advertising space in said publication. In

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the course of said solicitations, respondents and their agents and representatives represent, and have represented, directly or by implication, to prospective advertisers that said publication is endorsed by, affiliated with or the official publication of the AFL-CIO or other labor unions.

PAR. 4. In truth and in fact, Labor Digest is not endorsed by, affiliated with, or the official publication of the AFL-CIO or any other labor union, but is independently organized and operated.

Therefore, the statements and representations referred to in Paragraph 3 hereof are false, misleading and deceptive.

PAR. 5. In addition, in order to induce the purchase of advertising space in Labor Digest, respondents threaten, and have threatened, directly or by implication, that if business concerns did not purchase such space, their products would receive unfavorable treatment by labor union members. This practice now has, and has had, the tendency and capacity to intimidate and coerce, and does intimidate and coerce business concerns, unfairly, to purchase advertising space in the aforesaid publication.

PAR. 6. Further, in the course and conduct of their business, respondents have also engaged in the unfair and deceptive practice of placing advertisements of various concerns in their magazine without having received authorization therefor and then seeking to exact payment for said advertisements from said concerns.

PAR. 7. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals likewise engaged in the publication of newspapers and other periodicals and in the selling of advertising to be inserted therein and particularly with the publishers of newspapers and other periodicals published or endorsed by labor unions.

PAR. 8. 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 prospective advertisers into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of advertising space by reason of said erroneous and mistaken belief. The unfair and deceptive practice engaged in by respondents of publishing unordered or unauthorized advertisements has subjected firms and individuals to harassment and unlawful demands for payment of non-existent debts.

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 Labor Digest, 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 225 West 57th Street, New York 19, New York.

Respondents Ernest J. Modarelli and Harry B. Simon are individuals and officers of said corporation. Alex Adler is an individual and officer manager of said corporation, and Charles Cole is an individual and the editor of Labor Digest Magazine. The respondents' address is the same as that of said corporation.

Respondent Ralph J. De Meo is an individual and former officer of Labor Digest, Inc., and his address is 187 Front Street, New York 7, New York.

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 Labor Digest, Inc., a corporation, and its officers, and Ernest J. Modarelli and Harry B. Simon, indi-

vidually and as officers of said corporation, and Alex Adler, Charles Cole and Ralph J. De Meo, individually, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the soliciting, offering for sale or sale in commerce of advertising space in the magazine now designated as Labor Digest, or any other publication, whether published under that name, or any other name, and in connection with the offering for sale, sale or distribution of said magazine, or any other publication, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that said magazine is endorsed by, affiliated with, or an official publication of, or otherwise connected with a labor union.

2. Inducing or seeking to induce any business concern to purchase advertising space in or contribute to respondents' publication by means of expressed or implied threats that such business concern will or may be subjected to unfavorable treatment at the hands of representatives or purported representatives of labor should it refuse to make such purchase or contribution.

3. Placing, printing or publishing any advertisement on behalf of any person or firm in said paper without a prior order or agreement to purchase said advertisement.

4. Sending bills, letters or notices to any person or firm with regard to an advertisement which has been or is to be printed, inserted or published on behalf of said person or firm, or in any other manner seeking to exact payment for any such advertisement, without a bona fide order or agreement to purchase said advertisement.

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

63 F.T.C.

IN THE MATTER OF
LIBBEY-OWENS-FORD GLASS COMPANY
AND
GENERAL MOTORS CORPORATION

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

Docket 7643. Complaint, Oct. 30, 1959—Decision, Sept. 20, 1963

Order requiring a Detroit manufacturer of glass products for the automotive industry and a leading manufacturer of motor vehicles, to cease representing falsely that the safety plate glass used in the side windows of General Motors automobiles was of the same grade and quality as that in the windshields, while the safety sheet glass used in competitors' cars was the same as sheet glass in home windows; and falsely comparing the grade and quality of their automobile safety plate glass with the safety glass of their competitors by such practices as using deceptive photographic techniques in television depictions which exaggerated the distortion inherent in the safety sheet glass used in competitors' automobiles and minimized the distortion inherent in the safety plate glass used in General Motors Cars.

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 Libbey-Owens-Ford Glass Company, a corporation and General Motors Corporation, a corporation, hereinafter referred to as respondents, have violated the provisions of the 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 Libbey-Owens-Ford Glass Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Ohio, with its office and principal place of business located at 608 Madison Avenue, Toledo, Ohio.

Respondent General Motors Corporation 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 place of business at 3044 Grand Boulevard, Detroit, Michigan.

PAR. 2. Respondent Libbey-Owens-Ford Glass Company is now, and for some time last past, has been engaged in the manufacture, advertising, offering for sale, sale and distribution of glass products to the automotive industry for installation in automobiles, and to wholesalers, distributors and retailers for resale to the public.