

ment, without a bona fide order or agreement to purchase said advertisement.

It is further ordered, That respondents Brondabrooke Publishers, Inc., a corporation, and Joseph Harrow, Harry Brenner and Max Strier 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 the order to cease and desist set forth herein.

IN THE MATTER OF
LAMPUS COMPANY ET AL.

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

Docket C-606. Complaint, Oct. 11, 1963—Decision, Oct. 11, 1963

Consent order requiring a discount department store and retail furriers doing business at the same address in Portland, Ore., to cease violating the Fur Products Labeling Act by representing falsely on labels affixed to fur products that prices had been reduced from regular prices which were in fact fictitious; failing, in invoicing, to show required information and item numbers; failing, in newspaper advertising, to show the country of origin of imported furs and representing falsely that certain fur products were available at a stated price; and failing to maintain 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

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vested in it by said Act, the Federal Trade Commission having reason to believe that Lampus Company, a corporation, and its officers, and Angelos G. Lampus, George H. Haralampus, and James C. Maletis, individually and as officers of said corporation, and Herbert Adler and David Holtzman, individually and as copartners trading as Adler's, hereinafter referred to as respondents, have violated the provisions of said Act 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 Lampus Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Oregon with its office and principal place of business located at 2600 N.E. Union Avenue, Portland, Oregon. Respondent Lampus Company is a discount department store engaged in retailing various commodities including fur products.

Individual respondents Angelos G. Lampus, George H. Haralampus and James C. Maletis are officers of the corporate respondent, and formulate, direct and control the acts, practices and policies of the corporate respondent, Lampus Company, including those hereinafter set forth. Their office and principal place of business is the same as that of the said corporate respondent.

Respondents Herbert Adler and David Holtzman, are individuals and copartners trading as Adler's at 2600 N.E. Union Avenue, % Lampus Company, Portland, Oregon. Said respondents are retailers of fur products with their office and principal place of business located at 409 Court Street N.E. Salem, Oregon.

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 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 misbranded in that labels affixed thereto represented that prices of fur products had been reduced from regular or usual prices of such fur products and that the amount of such reductions constituted savings to purchasers, when the so-called regular or usual 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 purchasers, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. Certain of said fur products were falsely and deceptively invoiced by respondents in that they were not invoiced to show the information required by Section 5(b)(1) of the Fur Products Labeling Act, or in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

PAR. 5. 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 that required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 6. 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 said fur products were not in accordance with the provisions of Section 5(a) of the said Act.

Among and included in the advertisements aforesaid, but not limited thereto, were advertisements of respondents which appeared in issues of *The Oregonian*, a newspaper published in the city of Portland, State of Oregon.

Among such false and deceptive advertisements of fur products, but not limited thereto, were advertisements which failed to show the country of origin of imported furs contained in fur products.

PAR. 7. By means of the aforesaid advertisements and others of similar import and meaning not specifically referred to herein, respondents falsely and deceptively advertised fur products in that said advertisements represented, contrary to fact, that certain fur products were available to purchasers at a stated price, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

PAR. 8. Respondents falsely and deceptively advertised fur products by affixing labels thereto which represented that prices of such fur products had been reduced from regular or usual prices of such products and that the amount of such reductions constituted savings to purchasers when the so-called regular or usual 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 purchasers, in violation of Section 5(a)(5) of the Fur Products Labeling Act and Rule 44(a) of the Rules and Regulations.

PAR. 9. In advertising fur products for sale as aforesaid respondents made pricing claims and representations of the types covered

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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.

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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, Lampus Company, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Oregon, with its office and principal place of business located at 2600 N.E. Union Avenue, in the city of Portland, State of Oregon.

Respondents Angelos G. Lampus, George H. Haralampus, and James C. Maletis are officers of said corporation and their address is the same as that of said corporation.

Respondents Herbert Adler and David Holtzman are individuals and copartners trading as Adler's with their office and principal place of business located at 409 Court Street, N.E., in the city of Salem, State of Oregon.

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 Lampus Company, a corporation, and its officers, and Angelos G. Lampus, George H. Haralampus, and James C. Maletis, individually and as officers of the said corporation, and Herbert Adler and David Holtzman, individually and as co-partners trading as Adler's, 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:

A. Misbranding fur products by:

1. Falsely or deceptively labeling or otherwise identifying such products by any representation that any price, when accompanied or unaccompanied by any descriptive language, was the price at which the merchandise so represented was usually and customarily sold at retail by the respondents unless such merchandise was in fact usually and customarily sold at retail at such price by the respondents in the recent past.

2. Misrepresenting in any manner on labels or other means of identification the savings available to purchasers of respondents' products.

3. Falsely or deceptively representing in any manner, directly or by implication, on labels or other means of identification that prices of respondents' fur products are reduced.

B. 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 by each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

2. Failing to set forth on invoices the item number or mark assigned to a fur product.

C. 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:

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. Represents directly or by implication that any such fur products are offered for sale at a stated price unless such advertised merchandise is in fact available in stock for purchasers at such stated prices.
 3. Represents, directly or by implication, 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 respondents in the recent past.
 4. Misrepresents in any manner the savings available to purchasers of respondents' fur products.
 5. Falsely or deceptively represents in any manner that prices of respondents' fur products are reduced.
- D. 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
DEVCON CORPORATION ET AL.

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

Docket C-607. Complaint, Oct. 11, 1963—Decision, Oct. 11, 1963

Consent order requiring Danvers, Mass., distributors of repair materials to wholesalers, industrial plants and retail chainstores to cease representing falsely by means of the brand names and in pamphlets, display cards, bul-

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letins, etc., that their said repair products—consisting principally of non-metallic materials—had the composition and effectiveness of hardened metal or of rubber.

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 Devcon Corporation, a corporation, and Albert M. Creighton, Jr., and E. Leslie Hall, individually and 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 Devcon Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its principal office and place of business located in Danvers, Massachusetts.

Respondents Albert M. Creighton, Jr., and E. Leslie Hall are officers of the corporate respondent. They 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.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the advertising, offering for sale, sale and distribution of repair materials to wholesalers, for resale to retailers, and to industrial plants and retail chain stores.

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 Commonwealth of Massachusetts 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, as aforesaid, and for the purpose of inducing the sale of their repair materials, respondents in their brand names and advertising have represented the materials of which their products are composed and the performance characteristics of their products by the following means:

1. Respondents designate by brand names or otherwise represent certain of their products as "Devcon Steel", "Devcon Liquid Aluminum" and "Devcon Rubber".

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2. In pamphlets, display cards, circulars and bulletins, respondents represent certain of their products as follows:

(a) Plastic Steel—

*** hardens to a tough durable metal in only 2 hours.

After two hours it is hard and tough as steel.

*** heat and chemical resistant ***.

(b) Devcon Steel:

Real steel in paste form

HARDENS TO A TOUGH METAL

FOR PERMANENT, QUICK REPAIRS

(c) Devcon Liquid Aluminum:

Real aluminum in paste form ***

HARDENS TO METAL

PERMANENT

(d) Devcon "2 Ton," The Epoxy "Super Glue," so strong that a single drop will hold 2 tons.

PAR. 5. By and through the use of the aforementioned brand names, statements and representations and others of similar import and meaning not specifically set out herein, respondents represented, directly or by implication, that:

1. "Devcon Steel" and "Devcon Liquid Aluminum" are composed in whole or in principal part of metallic substances; "Devcon Rubber" is composed in whole or in principal part of rubber.

2. (a) "Plastic Steel" forms a hardened metal that has the effectiveness and intrinsic characteristics of steel and is not adversely affected by heat or chemicals.

(b) "Devcon Steel" and "Devcon Liquid Aluminum" are liquid metals and when used form hardened metals.

(c) One drop of "Devcon '2 Ton' The Epoxy 'Super Glue'" has an adhesive strength of at least 2 tons.

PAR. 6. In truth and in fact:

1. "Devcon Steel" and "Devcon Liquid Aluminum" consist principally of non-metallic materials with comparatively small amounts of metallic substances; "Devcon Rubber" consists principally of a solvent with a comparatively small amount of neoprene rubber.

2. (a) "Plastic Steel" does not form a hardened metal but, on the contrary, forms a substance that lacks the effectiveness and intrinsic characteristics of hardened metal and of steel and deteriorates when exposed to certain high temperatures or certain chemicals.

(b) "Devcon Steel" and "Devcon Liquid Aluminum" are not liquid metals and when used do not form hardened metals but, on the contrary, form substances that lack the effectiveness and intrinsic characteristics of hardened metals.

(c) One drop of "Devcon '2 Ton' The Epoxy 'Super Glue'" will not hold 2 tons.

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

PAR. 7. By the aforesaid practices, respondents place in the hands of others means and instrumentalities by and through which they may mislead the public as to the nature, composition, effectiveness and characteristics of their repair materials.

PAR. 8. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of products of the same general kind and nature as those hereinabove described and sold by respondents.

PAR. 9. 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 members of the purchasing public into the erroneous and mistaken belief that said 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. 10. 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 agree-

ment, makes the following jurisdictional findings, and enters the following order:

1. Respondent Devcon Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Massachusetts, with its office and principal place of business located in Danvers, Massachusetts.

Respondents Albert M. Creighton, Jr., and E. Leslie Hall are officers of said corporation and their address is the same as that of 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 respondent Devcon Corporation a corporation, and its officers, and Albert M. Creighton, Jr., and E. Leslie Hall, individually and 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 "Plastic Steel", "Devcon Steel", "Devcon Liquid Aluminum", "Devcon Rubber", "Devcon '2 ton' The Epoxy 'Super Glue'" or any other products in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1.

(a) Using the words "steel" or "aluminum" or any other word or words denominating metallic substances in brand names to designate, describe or refer to a product that consists principally of non-metallic ingredients: *Provided, however*, That if a product contains a metallic substance in some form, the percentage thereof may be stated.

(b) Using the word "rubber" or any other word or words denominating rubber substances in brand names to designate, describe or refer to a product that consists principally of ingredients other than rubber: *Provided, however*, That if a product contains natural or synthetic rubber substances in some form, the percentage thereof may be stated.

2. Representing, directly or by implication, that

(a) the product designated "Plastic Steel" or any other product of similar composition or characteristics forms a hardened metal or a substance that has the effectiveness or intrinsic characteristics of a hardened metal or of steel or that is not adversely affected by heat or chemicals;

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(b) the products designated "Devcon Steel" and "Devcon Liquid Aluminum" or any other product of similar composition or characteristics are liquid metals or that when used they form hardened metals or substances that have the effectiveness or intrinsic characteristics of hardened metals;

(c) one drop of the product designated "Devcon '2 Ton' The Epoxy 'Super Glue'" has an adhesive strength of 2 tons or an adhesive strength in any amount in excess of the true facts.

3. Misrepresenting in any manner the nature, composition, effectiveness or characteristics of their products.

4. Furnishing or otherwise placing in the hands of others means and instrumentalities by and through which they may mislead the public as to any of the matters and things hereinable prohibited.

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.