

Complaint

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yarn or any other textile products on invoices or shipping memoranda applicable thereto or in any other manner.

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

PRENTICE-HALL, INC., ET AL.

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

Docket C-676. Complaint, Jan. 7, 1964—Decision, Jan. 7, 1964

Consent order requiring three associated corporate publishers with a common place of business at Englewood Cliffs, N.J., to cease representing falsely in advertising that certain publications were given free of cost when, in fact, persons accepting such "free" offers obligated themselves to examine and either return or pay for another publication; misrepresenting that certain advertised publications are in limited supply and that respondent's offer should be accepted immediately; representing falsely in letters and materials sent to delinquent customers, some on letterheads of purported collection agencies, that delinquent accounts would be, or had already been, turned over to a credit rating agency or an independent collection agency or attorney; and requiring the parent corporation to cease representing falsely that the sales techniques described in its "PRENTICE-HALL Miracle Sales Guide"—actually a compilation by its editors—were based on a broad individual case study of successful salesmen.

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 Prentice-Hall, Inc., a corporation, Parker Publishing Company, Inc., a corporation, and Institute for Business Planning, Inc., a 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 Prentice-Hall, Inc., is a corporation organized, existing and doing business under and by virtue of the

laws of the State of Delaware, with its principal office and place of business located at Englewood Cliffs, in the State of New Jersey.

Respondent Parker Publishing Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at Englewood Cliffs, in the State of New Jersey.

Respondent Institute for Business Planning, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal offices and places of business located at 2 West 13th Street in the city of New York, and at Englewood Cliffs, in the State of New Jersey.

PAR. 2. Respondent Prentice-Hall, Inc., is now and for some time last past has been engaged in the publishing, advertising, offering for sale, sale and distribution of books, magazines, periodicals and other merchandise and business services directly to the general public and to jobbers, distributors, retailers and others for resale to the general public.

Respondent Parker Publishing Company, Inc., is now and for some time last past has been engaged in the advertising, offering for sale, sale and distribution of books, periodicals and other merchandise to the general public primarily through the United States mails. Respondent Parker Publishing Company, Inc., although separately incorporated is entirely owned, operated, managed and controlled by Respondent Prentice-Hall, Inc. Respondent Parker Publishing Company, Inc., sells books and publications manufactured, published by and bearing the name of Respondent Prentice-Hall, Inc.

Respondent Institute for Business Planning, Inc., is now and for some time last past has been engaged in the preparation, publishing, advertising, offering for sale, sale and distribution of various publications and services in the field of taxation and business to the general public. Respondent Institute for Business Planning, Inc., is also separately incorporated but was organized by Respondent Prentice-Hall, Inc., which owns a substantial majority of its capital stock. Respondent Prentice-Hall, Inc., controls, manages and directs the operations of Institute for Business Planning, Inc.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said publications and merchandise, when sold, to be shipped from their places of business in the States of New Jersey and New York to purchasers thereof located in various other States of the United States and in the District of Columbia, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said publications and merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Respondent Prentice-Hall, Inc., for the purpose of inducing the purchase of the "PRENTICE-HALL Miracle Sales Guide" has made certain statements and representations in advertising in regard to the manner in which said publication was prepared, the unique nature of its contents, the persons utilizing and benefiting from its use, the price at which said publication is offered, and other aspects of its development, use and value.

Said statements and representations were made in advertising disseminated by and through the United States mails, in advertising placed in newspapers and magazines of general and special circulation and in other advertising materials. Typical, but not all inclusive of said statements and representations, are the following:

One of America's top sales geniuses—the man who built this guide—saw this truth blaze up all through the selling world. The 4,000 men he analyzed were successes or failures to the extent that they put their energies into the 10% that pays off, steered clear of the useless 90%.

Hundreds of men were trained in the "miracle 10%" approach. Their success was breathtaking. As soon as these men discovered how to "go all out" on the 10% of selling activity that counts, they soared to success. Men who had been mediocrities moved rapidly up to \$40,000, \$50,000 a year—and more.

* * * * *

Here are just a few of the more than 50,000 top men and firms who are already profiting by The Prentice-Hall MIRACLE SALES GUIDE * * * :

The Borden Co., New York, New York
American Airlines, Inc., New York, New York
Sabrosa Coffee Co., Inc., Brooklyn, New York.

And all it costs is just \$15.00 on this special offer.

This hot new information comes directly from a study of 300 of the greatest salesmen in America—men who are making from \$50,000 to \$100,000 a year.

THE MIRACLE THAT TURNS SALESMEN INTO GIANTS the great new approach that multiplies a man's selling power and income by ten.

PAR. 5. By and through the use of the above-quoted statements, and others of similar import not specifically set out herein, Respondent Prentice-Hall, Inc., represents and has represented:

a. That the sales methods and techniques described in said "PRENTICE-HALL Miracle Sales Guide" were derived from an individual case study of 4,000 salesmen in one group and of 300 of the greatest salesmen in America who were each earning from \$50,000 to \$100,000 a year in another group.

b. That the selling techniques and methods contained in said publication were new, unique and had not heretofore been known or available.

c. That use of the sales methods and techniques described in said "PRENTICE-HALL Sales Guide" assures mediocre salesmen of

incomes in excess of \$40,000 a year and enables all salesmen to earn ten times their present incomes.

d. That each of the companies and persons named above and in other advertising not herein set forth had utilized said publication and as a result had realized a gain in sales, income and other benefits.

e. That the price at which said publication was offered constituted a reduction from the price at which said publication had been usually and customarily sold by respondent at retail in the recent, regular course of its business or from the price at which said publication was generally sold at retail in the trade area or areas where the representation was made, and as a result thereof, purchasers of said publication would realize a saving.

PAR. 6. In truth and in fact:

a. The sales methods and techniques described in said "PRENTICE-HALL Miracle Sales Guide" were not derived from an individual case study of 4,000 salesmen in one group and of 300 of the greatest salesmen in America who were each earning from \$50,000 to \$100,000 a year in another group. Said publication represented a compilation and summary of the general experiences and study of its authors and editors in the area of sales and salesmanship.

b. The selling techniques and methods contained in said publication were not new, unique or unknown prior to the publication of said book. The information, techniques and methods contained in said publication are general, universally known basic principles of salesmanship and selling.

c. The use of the sales methods and techniques described in said "PRENTICE-HALL Sales Guide" does not assure mediocre salesmen of incomes in excess of \$40,000 a year and does not enable all salesmen to earn ten times their present incomes.

d. All of the companies and persons named above and in other advertising not herein set forth had not utilized said publication and all of such companies and persons, as a result thereof, did not realize a gain in sales, income or other benefits.

e. The price at which said publication was offered did not constitute a reduction from the price at which said publication had been usually and customarily sold by respondent, at retail in the recent, regular course of its business or from the price at which said publication was generally sold at retail in the trade area or areas where the representations were made, and purchasers did not realize a savings as a result thereof.

Therefore, the statements and representations as set forth in Paragraphs 4 and 5 hereof were and are false, misleading and deceptive.

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PAR. 7. In the course and conduct of their business as aforesaid and for the purpose of inducing the purchase of publications, books, services and merchandise respondents have made certain statements and representations in advertising materials disseminated through the United States mails, in regard to the "free" nature of certain publications and articles of merchandise offered to induce the purchase of other publications, books and services.

Typical, but not all inclusive of said statements and representations, are the following:

FREE! "The Pocket Book Of Toasts For Every Occasion"

* * * * *
At no cost or obligation, we will send you this complete collection of rousing toasts * * *.

Think of it, all this in one FREE book! * * *

FREE! THE POCKET BOOK OF TOASTS FOR EVERY OCCASION.

For the doctor who's tired of watching others grow rich—accept with our compliments:

"A METHOD FOR PUTTING AWAY \$250,000—TAX FREE"

Mail this card now to make sure you receive this special Report—*free*

THE MOST AMAZING FINANCIAL HELP EVER MADE AVAILABLE TO THE MEDICAL PROFESSION * * * FREE OF COST.

Dear Doctor:

We now have ready for free distribution the great new DOCTOR'S PERSONAL WEALTH-BUILDING PORTFOLIO.

PAR. 8. By and through the use of the above-quoted statements and others of similar import not specifically set out herein, respondents represent and have represented, directly or by implication, that the publications or articles of merchandise referred to as "free", "At no cost or obligation * * *", "* * * with our compliments:" and "FREE OF COST" are given free, as a gift or gratuity, without cost, obligation, restriction or liability.

PAR. 9. In truth and in fact the publications or articles of merchandise referred to as "free", "At no cost or obligation * * *", "* * * with our compliments:" and "FREE OF COST" are not given free, as a gift or gratuity, without cost, obligation, restriction or liability. Persons accepting the offer of the aforesaid publications and articles of merchandise also thereby: (1) obligate themselves to accept for examination and subsequently return or pay for another publication; or (2) subscribe to a publication of respondents and obligate themselves to subsequently pay the regular subscription price therefor.

The conditions, obligations and other prerequisites to receipt and retention of the publications and articles of merchandise referred to as "free", "At no cost or obligation * * *", "* * * with our compliments:" and "FREE OF COST" are not clearly and conspicuously explained or set forth at the outset so as to leave no reasonable prob-

ability that the terms and conditions of the advertisements or offer might be misunderstood.

Therefore, the statements and representations as set forth in Paragraphs 7 and 8 hereof are false, misleading and deceptive.

PAR. 10. In the course and conduct of their business as aforesaid and for the purpose of inducing the purchase of their publications and merchandise respondents have made certain statements in advertising in regard to the supply of said publications and merchandise available. Typical, but not all inclusive of these statements, are the following:

The advance demand for this Miracle Sales Guide is so heavy we must ask that you kindly return the enclosed card today.

MAIL PROMPTLY TO GET YOUR SPECIAL REPORTS WHILE THE SUPPLY LASTS

Only a few hundred copies are left.

By and through the use of these statements and others of similar import not specifically set out herein, respondents represent and have represented, directly or by implication, that the supply of said publications or merchandise was limited, and the offer must be accepted immediately. In truth and in fact, adequate supplies of said publications and merchandise were available or were obtainable.

Therefore the statements and representations set forth above, are false, misleading and deceptive.

PAR. 11. In the course and conduct of their business and for the purpose of inducing the payment of delinquent accounts respondents have made certain statements and representations through letters and materials sent through the United States mails to purportedly delinquent customers who have purchased publications, books, and merchandise. Typical, but not all inclusive of said statements and representations, are the following:

a. On the letterhead of Prentice-Hall, Inc.:

Surely you must realize that your outstanding balance cannot be allowed to run indefinitely. There's been no payment * * * In anticipation that we will receive your check within the next five days, further action will be held up * * *.

An immediate payment from you will relieve us from taking whatever steps may be necessary to collect the amount due * * *.

b. On the letterhead of Parker Publishing Company, Inc.:

No one really wants to become a poor credit risk.

Several weeks ago, we stated our case frankly with reference to your account. We haven't heard from you, so we will have no choice but to mark your account "Poor Credit".

You still have 5 days in which to avoid this.

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c. On the letterhead of "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC. CREDIT REPORTS. SPECIAL INVESTIGATIONS COLLECTIONS — 15 WEST 38th STREET, NEW YORK 18, N. Y.":

Our business is to help our clients collect past due accounts. That is why the Parker Publishing Company turned to us for help.

We are sure you want to keep an untarnished credit reputation and that is the reason we urge you again to settle the account due our clients, the Parker Publishing Company.

Just to make it perfectly clear—your failure to pay your account within the next ten days will leave our client no choice but to proceed with such other means at their disposal to effect collection.

d. On the letterhead of "GRESHAM COLLECTION AGENCY —2 WEST THIRTEENTH STREET, NEW YORK 11, N. Y.:

Prentice-Hall has turned your account over to us for immediate collection.

Our client has forwarded to us the enclosed statement of your account with his organization. Noting that it is just and correct, further noting that you have been given ample opportunity to remit, he has asked us to procure payment.

I feel that it will not be necessary to detail to you the consequences of non-payment, such as possible court appearances; judgment; attachment of salary; loss of credit, etc.* * *

We regret to advise you that your lack of cooperation has compelled us to forward your account * * * to our attorney.

* * * * *
For your information, his address is: * * *, Esq.

* * * * *
PAR. 12. By and through the use of the above-quoted statements, and others of similar import not specifically set out herein, respondents represent and have represented that:

a. If payment is not made, the delinquent customer's name will be transmitted to a credit rating agency or bureau with the result that said customer's credit rating will be adversely affected.

b. If payment is not made, the account will be turned over to an independent, bona fide collection agency or independent, outside attorney.

c. "The MAIL ORDER CREDIT REPORTING ASSOCIATION, INC.," and "GRESHAM COLLECTION AGENCY" are independent, bona fide collection agencies.

d. Various persons named in the foregoing and in other materials, are independent, outside attorneys at law.

e. The letters and notices on the letterhead of the said "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC." and "GRESHAM COLLECTION AGENCY" are prepared and sent by these agencies.

f. Respondents have turned over to "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC., "GRESHAM COLLECTION AGENCY", or certain named attorneys, the delinquent account of the customer for collection with instructions to take all necessary legal steps to collect the outstanding amount due.

PAR. 13. In truth and in fact:

a. If payment is not made, the delinquent customer's name is not transmitted to a credit rating agency or bureau with the result that the customer's credit rating is adversely affected.

b. If payment is not made, the account is not turned over to an independent, bona fide collection agency or independent, outside attorney unless the amount of purported indebtedness is substantial.

c. "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC.," and "GRESHAM COLLECTION AGENCY" are not independent, bona fide collection agencies.

d. The various persons named in the foregoing and in other materials are not independent, outside attorneys at law, but are employees of respondents.

e. The letters and notices with the name of "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC.," and "GRESHAM COLLECTION AGENCY" are not prepared or sent by these agencies. Respondents prepare and mail said letters and notices. Replies addressed to "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC." are forwarded by said organization directly, unopened, to respondents. The address utilized for replies to the "GRESHAM COLLECTION AGENCY" is that of one of the respondents.

f. Respondents have not turned over to "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC.," "GRESHAM COLLECTION AGENCY," or certain named attorneys, the delinquent accounts of the customer for collection nor have respondents instructed said organizations or individuals to take all necessary legal steps to collect the outstanding amount due.

Therefore, the statements and representations as set forth in Paragraphs 11 and 12 hereof, are false, misleading and deceptive.

PAR. 14. In the conduct of their business and at all time mentioned herein, the respondents have been in substantial competition, in commerce, with corporations, firms, and individuals in the sale of books, magazines, publications and other merchandise of the same general kind and nature as that sold by the respondents.

PAR. 15. 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' publications and merchandise by reason of said erroneous and mistaken belief.

PAR. 16. 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 Prentice-Hall, 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 Englewood Cliffs, in the State of New Jersey.

Respondent Parker Publishing Company, 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 Englewood Cliffs, in the State of New Jersey.

Respondent Institute for Business Planning, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its offices and principal places of business located at 2 West 13th Street in the city of New York,

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State of New York and at Englewood Cliffs, in the State of New Jersey.

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

I

It is ordered, That respondents Prentice-Hall, Inc., Parker Publishing Company, Inc., and Institute for Business Planning, Inc., corporations, and their respective officers, 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 books, periodicals, publications, tax or business reports or other merchandise or services, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Using the terms "free," "At no cost or obligation * * *"; "* * * With our compliments", "FREE OF COST" or any other word or words of similar import or meaning, to designate or describe any publication, book, service or other product, in advertising or in other offers to the public, when all of the conditions, obligations, or other pre-requisites to the receipt and retention of the said free publication, book, report or other product, are not clearly and conspicuously explained or set forth at the outset so as to leave no reasonable probability that the terms of the advertisements or offer might be misunderstood.

B. Representing, directly or by implication, that the supply of publications, books or other products is limited when adequate suppliers are available or will be obtained.

C. Representing, directly or by implication, that:

1. Delinquent customers' general or public credit ratings will be adversely affected unless where payment is not received, respondents in fact refer the information of said delinquency to a separate, bona fide credit rating agency or bureau;

2. Delinquent accounts will be or have been turned over to an independent, bona fide collection agency or outside attorney unless respondents in fact turn or have turned said accounts over to such agencies or persons;

3. "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC." and "GRESHAM COLLECTION AGENCY" are independent, bona fide collection agencies;

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or that any other organization or trade name owned in whole or in part by respondents or over which respondents exercise any direction or control are independent collection agencies;

4. Any employee of respondents is an independent, outside attorney; or that any person or firm is an outside, independent attorney or firm of attorneys representing respondents for collection purposes unless a bona fide attorney-client relationship exists for purposes of collecting delinquent accounts;

5. Notices or other communications, which have been prepared, written or mailed by respondents, have been sent by "THE MAIL ORDER CREDIT REPORTING ASSOCIATION", the "GRESHAM COLLECTION AGENCY", or any other person, firm or organization;

6. Delinquent accounts have been turned over to "THE MAIL ORDER CREDIT REPORTING ASSOCIATION, INC.", "GRESHAM COLLECTION AGENCY", or to any attorney, or to any other person, firm, or organization with instructions to take legal steps to collect the amount purportedly due, unless respondents establish that such is the fact.

II

Respondent Prentice-Hall, Inc., a corporation, and its officers, and respondent's agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of books, periodicals, publications, tax or business reports, or other merchandise or services, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Representing, directly or by implication:

1. That the sales methods and techniques described in the "PRENTICE-HALL Miracle Sales Guide" are derived from an individual case study of sales methods and techniques of individual salesmen;

2. That the techniques or methods contained in said "PRENTICE-HALL Miracle Sales Guide" are new, unique or have not theretofore been known or available;

3. That the use of the sales methods and techniques described in said "PRENTICE-HALL Miracle Sales Guides" will assure mediocre salesmen of incomes in excess of \$40,000 a year or enable all salesmen to earn ten times their present incomes.

B. Misrepresenting, in any manner, the method or basis by or upon which said "PRENTICE-HALL Miracle Sales Guide" or any other book or publication was compiled or written.

C. Misrepresenting, in any manner, that any book or publication is the only one of its kind, or that its contents are current, or that the techniques or methods of its preparation have never before been utilized: *Provided however*, That it shall be a defense hereunder, involving any book or publication not prepared by respondent's editorial staff, that respondent did not know and had no reason to know of the falsity of such representation.

D. Representing, directly or by implication, that the amount of income or increase in income which will be derived by persons applying the methods or techniques described in said "PRENTICE-HALL Miracle Sales Guide" or any other book or publication will be in excess of the amounts of income or increases in income typically and usually received by others contemporaneously using or applying the methods or techniques of the aforesaid sales guide or other book or publication.

E. Representing, directly or by implication, that said "PRENTICE-HALL Miracle Sales Guide" or any other publication, book or service has been used or is being used by stated persons or organizations or that said persons have experienced gains in income, sales or other benefits from the use of said "PRENTICE-HALL Miracle Sales Guide" or other publications, book or service, unless respondent establishes that such is the fact.

F. Representing, directly or by implication, that the price of any publication, book or service is a reduced price, unless it constitutes a reduction from the price at which the publication, book or service referred to has been usually and regularly sold by the respondent at retail in the recent, regular course of its business or a reduction from the price at which said product or service is generally sold in the trade area or areas where the representation is made; or otherwise misrepresenting the amount of savings afforded purchasers of respondent's publications, books or services.

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.

By the Commission, Commissioners MacIntyre and Higginbotham not concurring.

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IN THE MATTER OF

IRVING-FREDERICK, INC., ET AL.

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

Docket C-677. Complaint, Jan. 9, 1964—Decision, Jan. 9, 1964

Consent order requiring two associated retailers of fur products in San Francisco, Calif., to cease violating the Fur Products Labeling Act by failing, in labeling and invoicing, to show the true animal name of fur and when fur was bleached or dyed; failing to disclose, in invoicing, the country of origin of imported furs; failing to use the term "Natural" in labeling, invoicing, and advertising to describe fur products which were not artificially colored; substituting nonconforming labels for those affixed by the manufacturer or distributor; and failing in other respects to comply with provisions of the Act; and to cease violating the Wool Products Labeling Act by failing to label wool products as required and removing labels or other identification prior to ultimate sale.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Fur Products Labeling Act and the Wool Products Labeling Act of 1939, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission having reason to believe that Irving-Frederick, Inc., a corporation, and Irving Bartel and Mrs. Joseph Nagel, individually and as officers of said corporation; and Irving Bartel, Inc., a corporation, and Irving Bartel, Gerson Bartel, and Ben Bartel, individually and as officers of said corporation, hereinafter referred to as respondents have violated the provisions of said Acts and Rules and Regulations promulgated under the Fur Products Labeling Act and the Wool Products Labeling Act of 1939, 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 Irving-Frederick, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California.

Respondents Irving Bartel and Mrs. Joseph Nagel are officers of the corporate respondent and formulate, direct and control the acts, practices and policies of the said corporate respondent including those hereinafter set forth.

Respondent Irving Bartel, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California.