

MAURICE COAT & SUIT MFG. CO., INC., ET AL.

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

Docket C-876. Complaint, Jan. 19, 1965—Decision, Jan. 19, 1965

Consent order requiring manufacturers and wholesalers of wool, fur, and textile fiber products in Kansas City, Mo., to cease violating the Fur Products Labeling Act by falsely labeling artificially colored fur products as natural, failing to use the term "Natural" for furs which were not artificially colored, on labels and in advertisements, and deceptively invoicing its fur products; and to cease violating the Wool Products Labeling

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Act by omitting required fiber content information on attached labels, and by using the term "Mohair" in lieu of the word "Wool" on affixed labels without giving the correct percentage of mohair present.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939, 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 Maurice Coat & Suit Mfg. Co., Inc., a corporation, and Fashioned Originals, Inc., a corporation, and Frieda Garfinkel and Arnold H. Garfinkel, individually and as officers of the said corporations hereinafter referred to as respondents have violated the provisions of said Acts and the Rules and Regulations promulgated under the said Acts, 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 Maurice Coat & Suit Mfg. Co., Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri.

Respondent Fashioned Originals, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri.

Respondents Frieda Garfinkel and Arnold H. Garfinkel are officers of the said corporate respondents and formulate, direct and control the acts, practices and policies of the said corporate respondents.

Respondent Maurice Coat & Suit Mfg. Co., Inc. is a manufacturer and wholesaler of wool products, fur products and textile fiber products. Respondent Fashioned Originals, Inc. is a wholesaler of wool products, fur products and textile fiber products. The office and principal place of business of the corporate respondents and individual respondents is located at 431 West 8th Street, Kansas City, Missouri.

PAR. 2. Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondent Maurice Coat & Suit Mfg. Co., Inc. and respondents Frieda Garfinkel and Arnold H. Garfinkel have been and are now engaged in the manufacturing for introduction into commerce, fur products, and have manufactured for sale, fur products which have been made in whole or in part of furs which have been shipped and received in commerce as the terms "com-

merce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

Subsequent to the effective date of the Fur Products Labeling Act on August 9, 1952, respondents Maurice Coat & Suit Mfg. Co., Inc., Fashioned Originals, Inc. and Frieda Garfinkel and Arnold H. Garfinkel 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 they were falsely and deceptively labeled to show that fur contained therein was natural, when in fact such fur was pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. 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.

PAR. 5. 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 inasmuch as required item numbers were not set forth on labels in violation of Rule 40 of said Rules and Regulations.

PAR. 6. 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 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.

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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) 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.

(b) Required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 8. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that said advertisements intended to aid, promote and assist, directly or indirectly, in the sale and advertising 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 respondents which appeared in a catalog distributed by the respondents.

Among such false and deceptive advertisements, but not limited thereto, were advertisements which failed to show that the fur contained in the fur product was bleached, dyed, or otherwise artificially colored when such was the fact.

PAR. 9. 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 certain of said advertisements contained the name or names of an animal or animals other than those producing the fur contained in the fur product, in violation of Section 5(a)(5) of the Fur Products Labeling Act.

PAR. 10. 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 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 inasmuch as 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. 11. 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.

PAR. 12. Subsequent to the effective date of the Wool Products Labeling Act of 1939, respondent Maurice Coat & Suit Mfg. Co., Inc. and respondents Frieda Garfinkel and Arnold H. Garfinkel have manufactured for introduction into commerce, "wool products" as "wool product" and "commerce" are defined in the Wool Products Labeling Act of 1939.

Subsequent to the effective date of the Wool Products Labeling Act of 1939, respondents Maurice Coat & Suit Mfg. Co., Inc., Fashioned Originals, Inc. and Frieda Garfinkel and Arnold H. Garfinkel have introduced into commerce, sold, transported, distributed, delivered for shipment, shipped and offered for sale in commerce, "wool products" as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939.

PAR. 13. Certain of said wool products were misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, were certain fabrics with labels on or affixed thereto, which failed to disclose the percentage of total fiber weight of the wool product, exclusive of ornamentation not exceeding 5 per centum of said total fiber weight, of (1) woolen fibers; (2) each fiber other than wool present in the wool product in the amount of 5% or more by weight; (3) the aggregate of all other fibers.

PAR. 14. Certain of said wool products were misbranded in violation of the Wool Products Labeling Act of 1939 in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in that the term "Mohair" was used in lieu of the term "Wool" on labels affixed to wool products without setting forth the correct percentage of the Mohair in violation of Rule 19 of the Rules and Regulations under the Wool Products Labeling Act of 1939.

PAR. 15. The acts and practices of the respondents as set forth above were, and are in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair and deceptive acts and practices and unfair methods of competition in commerce, within the intent and meaning of the Federal Trade Commission Act.

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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, the Wool Products Labeling Act of 1939, 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 Maurice Coat & Suit Mfg. Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri, with its office and principal place of business located at 431 West 8th Street, in the city of Kansas City, State of Missouri.

Respondent Fashioned Originals, Inc. is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri, with its office and principal place of business located at 431 West 8th Street, in the city of Kansas City, State of Missouri.

Respondents Frieda Garfinkel and Arnold H. Garfinkel are officers of said corporations and their address is the same as that of said corporations.

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 Maurice Coat & Suit Mfg. Co., Inc., a corporation, and its officers, and Fashioned Originals, Inc., a corporation, and its officers, and Frieda Garfinkel and Arnold H. Garfinkel, individually and as officers of the said corporations and respondents' representatives, agents and employees, directly or through

any corporate or other device in connection with the introduction, or manufacture for 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 manufacture for sale, 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. Misbranding fur products by:

1. Representing directly or by implication on labels that the fur contained in any fur product is natural when the fur contained therein is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.
2. Failing to affix labels to fur products showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.
3. Failing to set forth on labels the item number or mark assigned to a fur product.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices as the term "invoice" is defined in the Fur Products Labeling Act 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. 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.
3. Failing to set forth on invoices the item number or mark assigned to fur products.

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 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. Sets forth the name or names of any animal or animals other than the name of the animal producing the furs con-

tained in the fur product as specified in the Fur Products Name Guide, and as prescribed by the Rules and Regulations.

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 respondents Maurice Coat & Suit Mfg. Co., Inc., a corporation, and its officers, and Fashioned Originals, Inc., a corporation, and its officers, and Frieda Garfinkel and Arnold H. Garfinkel, individually and as officers of said corporations and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation, distribution, delivery for shipment or shipment in commerce, of wool fabric or other wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding wool products by:

1. Failing to securely affix to, or place on each such product a stamp, tag, label, or other means of identification, showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a) (2) of the Wool Products Labeling Act of 1939.

2. Using the term "Mohair" in lieu of the word "Wool" on labels affixed to wool products without setting forth the correct percentage of the Mohair present.

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

ATLANTIC PRODUCTS CORPORATION ET AL.

DECLARATORY ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 2 (d) OF THE CLAYTON ACT

Docket 8513. Complaint, June 25, 1962—Decision, Jan. 26, 1965

The Commission having found a luggage manufacturer of Trenton, N.J., and its sales subsidiary in violation of Sec. 2(d) of the Clayton Act by failing