

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

FRAMINGHAM FUR STORAGE & MFG. CORP. TRADING AS
C. F. CARLSON CO. ET AL.

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

Docket C-1174. Complaint, Feb. 27, 1967—Decision, Feb. 27, 1967

Consent order requiring a Framingham, Massachusetts, manufacturing and retailing furrier to cease falsely invoicing and advertising its fur products.

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 Framingham Fur Storage & Mfg. Corp., a corporation, trading as C. F. Carlson Co., and William Hibel, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Fur Products Labeling Act, and it appearing to the Commission that a proceeding by it in respect thereof would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Framingham Fur Storage & Mfg. Corp., trading as C. F. Carlson Co. is a corporation, organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts.

Respondent William Hibel is an officer of the corporate respondent. He formulates, directs and controls the acts, practices and policies of the said corporate respondent including those hereinafter set forth.

Respondents are manufacturers and retailers of fur products

with their office and principal place of business located at 17 Haven Street, Framingham, Massachusetts.

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 manufacture for 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 manufactured for sale, 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 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 any such fur product.
2. To disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.
3. 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 with respect to the name or designation of the animal or animals that produced the fur from which the 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 which were invoiced as "Broadtail" thereby implying that the furs contained therein were entitled to the designation "Broadtail Lamb" when in truth and in fact the furs contained therein were not entitled to such designation.

PAR. 5. Certain of said fur products were falsely and deceptively invoiced by respondents, in violation of Section 5(h) (2) of the Fur Products Labeling Act in that invoices relating to the fur products contained the statement "New coats at factory prices less than wholesale."

By means of the aforesaid statement, respondents represented that the prices at which the fur products were offered and sold to the public were the "factory prices" and that such prices were less than the wholesale prices of the said fur products and that savings were available to purchasers of such fur products.

In truth and in fact the said prices at which the fur products were offered and sold to the public were not the "factory prices" and such prices were not less than wholesale prices; and represented savings were not available to the purchasers of the aforesaid furs.

PAR. 6. 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 on invoices in abbreviation form, in violation of Rule 4 of said Rules and Regulations.

(b) 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.

(c) 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.

(d) 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. 7. 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 respondents which appeared in issues of the Framingham News, a newspaper published in the city of Framingham, Commonwealth of Massachusetts and having a wide circulation in Massachusetts and in other States of the United States.

Among such false and deceptive advertisements, but not limited thereto, were advertisements which contained representations that the respondents manufactured the fur products offered for sale when in truth and in fact respondents purchased such fur products from other sources.

PAR. 8. 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 contained the statement "Carlson's factory prices are less than wholesale."

By means of the aforesaid statement, respondents represented that the prices at which the fur products were offered and sold to the public were the "factory prices" and that such prices were less than the wholesale prices of the said fur products and that savings were available to purchasers of such fur products.

In truth and in fact the said prices at which the fur products were offered and sold to the public were not the "factory prices"; such prices were not less than wholesale prices; and represented savings were not available to the purchasers of the aforesaid furs.

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 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 "Dyed Broadtail-processed Lamb" was not set forth in the manner required, in violation of Rule 10 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. 10. In advertising fur products for sale, as aforesaid, respondents made pricing claims and representations of the types covered by subsections (a), (b), (c) and (d) of Rule 44 of the Regulations 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. 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 con-

stitute unfair and deceptive acts and practices and unfair methods of competition in commerce under the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Fur Products Labeling Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by the respondents that the law has been violated as alleged in such complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having reason to believe that the respondents have violated said Acts, and having determined that complaint should issue stating its charges in that respect, hereby issues its complaint, accepts said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Framingham Fur Storage & Mfg. Corp., a corporation, trading as C. F. Carlson Co. is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its office and principal place of business located at 17 Haven Street, Framingham, Massachusetts.

Respondent William Hibel is an officer of said corporation and his 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 respondents Framingham Fur Storage & Mfg. Corp., a corporation, trading as C. F. Carlson Co. or any other name, and its officers, and William Hibel, individually and

as an officer of said corporation, 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. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, 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 by each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

2. Setting forth on an invoice pertaining to such fur product any false or deceptive information with respect to the name or designation of the animal or animals that produced the fur contained in such fur product.

3. 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.

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 an invoice under the Fur Products Labeling Act and Rules and Regulations promulgated thereunder to describe such fur product which is 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 such fur product composed of two or more sections containing different animal furs.

7. Misrepresenting, directly or by implication, on in-

voices that their fur products are being offered for sale and sold at factory prices.

8. Misrepresenting, directly or by implication, on invoices, that their fur products are being offered for sale and sold at prices which are less than wholesale.

9. Misrepresenting in any manner the savings available to purchasers of respondents' fur products.

B. Falsely or deceptively advertising any fur product 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. Represents, directly or by implication, that respondents manufactured such fur product when such fur product was manufactured by another person.

2. Misrepresents, directly or by implication, that such fur product is being offered for sale and sold at the factory price.

3. Misrepresents, directly or by implication, that such fur product is being offered for sale and sold at a price which is less than wholesale.

4. Misrepresents in any manner the savings available to purchasers of such fur product.

5. Fails 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."

6. Fails to set forth the term "natural" as part of the information required to be disclosed in advertising under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

C. Failing to maintain full and adequate records disclosing the facts upon which pricing claims and representations of the types described in subsections (a), (b), (c) and (d) of Rule 44 of the Rules and Regulations promulgated under the Fur Products Labeling Act, 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

PACIFIC GAMBLE ROBINSON CO.

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

Docket C-1177. Complaint, Feb. 28, 1967—Decision, Feb. 28, 1967

Consent order requiring a Seattle, Washington, wholesale and retail grocer to cease knowingly inducing or receiving from its suppliers any discriminatory service or facility or any discriminatory treatment forbidden by Section 2 of the Clayton Act.

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 Pacific Gamble Robinson Co., a corporation, has violated and is now violating the provisions of Section 5 of the said Act (U.S.C., Title 15, Section 45), 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 Pacific Gamble Robinson Co., hereinafter sometimes referred to as Pacific, is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with an office in its principal place of business located at 4103 Second Avenue South, Seattle, Washington.

Respondent is now and has been for many years engaged in the wholesale and retail grocery business, buying and selling a wide variety of grocery products, including fresh fruits and vegetables. These products are sold and distributed by respondent to retail outlets and wholesale distributors located in various sections of the United States. Its total sales in 1964 exceeded \$197,000,000.

PAR. 2. Respondent, in the course and conduct of its business, has engaged and is presently engaged in commerce, as "commerce" is defined in the Federal Trade Commission Act. Respondent purchases its products from suppliers, sometimes hereinafter referred to as shippers, located throughout the United States and causes such products to be transported from various States in the United States to other States for the purpose of reselling said products to both wholesalers and retailers.