

Complaint

IN THE MATTER OF

BERNARD CHESNER CORP., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION
OF THE FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS
LABELING ACTS*Docket C-1657. Complaint, Dec. 19, 1969—Decision, Dec. 19, 1969*

Consent order requiring a wholesale furrier in New York City, to cease falsely invoicing furs by failing to disclose when furs were artificially colored and the country of origin of imported furs.

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 Bernard Chesner Corp., a corporation, and Bernard Chesner, 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 Bernard Chesner Corp. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

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

Respondents are wholesalers of furs and fur products with their office and principal place of business located at 140 West 30th Street, New York, New York.

PAR. 2. Respondents are now and for some time last past have been, 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; and have introduced into commerce, sold, advertised, and offered for sale in commerce, and transported and distributed in commerce, furs, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said furs and 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 furs and fur products were furs and fur products covered by invoices which failed:

1. To disclose that the furs or fur products were bleached, dyed or otherwise artificially colored, when such was the fact.
2. To show the country of origin of imported furs or imported furs contained in fur products.

PAR. 4. Certain of said furs and fur products were falsely and deceptively invoiced with respect to the name of the country of origin of imported furs or imported furs contained in fur products, in violation of Section 5(b) (2) of the Fur Products Labeling Act.

Among such falsely and deceptively invoiced furs and fur products, but not limited thereto, were furs and fur products covered by invoices which failed to show the country of origin of imported furs or imported furs contained in fur products. The omission of the required material fact as to the country of origin of the imported furs or imported furs contained in fur products implied directly or by implication that the said furs and furs contained in fur products were of domestic origin when in truth and in fact the said furs and furs contained in fur products were of foreign origin, in violation of Section 5(b) (2) of the Fur Products Labeling Act.

PAR. 5. 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 methods of competition and unfair and deceptive acts and practices 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 respondents that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it has reason to believe that the respondents have violated the said Acts, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Bernard Chesner Corp. 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 140 West 30th Street, New York, New York.

Respondent Bernard Chesner is an officer of said corporation. He formulates, directs and controls the policies, acts and practices 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 Bernard Chesner Corp., a cor-

poration, and its officers, and Bernard Chesner, 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, 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; or 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, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from falsely or deceptively invoicing such fur or 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. Misrepresenting on an invoice, directly or by implication, the country of origin of such fur or the fur contained in such fur product.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Complaint

76 F.T.C.

IN THE MATTER OF

JASON HEADWEAR, INC., ET AL.

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

Docket C-1658. Complaint, Dec. 19, 1969—Decision, Dec. 19, 1969

Consent order requiring New York City wholesalers of men's and boys' headwear to cease misbranding the fiber content of their wool products and furnishing false guaranties that such wool products were not misbranded.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 Jason Headwear, Inc., a corporation, and Bernard Zimmerman, 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 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 Jason Headwear, 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 7 West 18th Street, New York, New York.

Respondents are engaged primarily in the wholesaling of men's and boys' headwear. They are also engaged in the purchase of fabric and the manufacture of boys' caps through contractors, who "cut, sew and trim." The respondents supply the labels to their contractors for these caps. The contractors ship the caps to Jason Headwear for shipment to the respondents' customers. These caps are made from woolen fabrics.

Individual respondent Bernard Zimmerman is an officer of the aforesaid corporation. He formulates, directs and controls the policies, acts and practices of said corporation and his address is the same as that of said corporation.