

THE FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS
LABELING ACTS

Docket C-1728. Complaint, Apr. 16, 1970—Decision, Apr. 16, 1970

Consent order requiring a New York City manufacturing furrier to cease misbranding, falsely invoicing, and deceptively guaranteeing 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 Harold Wagner Furs, Inc., a corporation, formerly trading as Dworkin-Wagner Furs, Inc., a corporation, and Harold S. Wagner, individually and as an officer of said corporation, and as a former officer of Dworkin-Wagner Furs, Inc., and Sydney S. Dworkin, individually and as a former officer of Dworkin-Wagner

*Formerly trading as Dworkin-Wagner Furs, Inc.

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Furs, Inc., 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 Harold Wagner Furs, 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 307 Seventh Avenue, New York, New York. The corporation formerly traded as Dworkin-Wagner Furs, Inc., a corporation, at the same address.

Respondent Harold S. Wagner is an officer of Harold Wagner Furs, Inc. He formulates, directs and controls the policies, acts and practices of said corporation.

Respondent Sydney S. Dworkin is a former officer of Dworkin-Wagner Furs, Inc., and together with Harold S. Wagner controlled, directed and formulated the policies, acts and practices of Dworkin-Wagner Furs, Inc., a corporation. Their address is the same as that of the named corporations.

Respondents are manufacturers of fur products.

PAR. 2. Respondents are now and for some time last past have been 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 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 to disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.

PAR. 4. Certain of said fur products were misbranded in violation of Rule 19(g) of the Rules and Regulations promulgated under the Fur Products Labeling Act.

PAR. 5. 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 to disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced in violation of Rule 19(g) of the Rules and Regulations promulgated under the Fur Products Labeling Act.

PAR. 7. Respondents furnished false guaranties under Section 19(b) of the Fur Products Labeling Act with respect to certain of their fur products by falsely representing in writing that respondents had a continuing guaranty on file with the Federal Trade Commission when respondents in furnishing such guaranties had reason to believe that the fur products so falsely guaranteed would be introduced, sold, transported and distributed in commerce, in violation of Rule 48(c) of said Rules and Regulations under the Fur Products Labeling Act and Section 10(b) of said Act.

PAR. 8. 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

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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 records 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 Harold Wagner Furs, 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 307 Seventh Avenue, New York, New York. The corporation formerly traded as Dworkin-Wagner Furs, Inc., a corporation, at the same address.

Respondent Harold S. Wagner is an officer of Harold Wagner Furs, Inc. He formulates, directs and controls the policies, acts and practices of said corporation and his address is the same as that of the said corporation.

Respondent Sydney S. Dworkin is a former officer of Dworkin-Wagner Furs, Inc., and together with Harold S. Wagner controlled, directed and formulated the policies, acts and practices of Dworkin-Wagner Furs, Inc., a corporation. His address is 307 Seventh Avenue, New York, New York.

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 Harold Wagner Furs, Inc., a corporation, formerly trading as Dworkin-Wagner Furs, Inc., a corporation, and its officers, and Harold S. Wagner, individually and as an officer of said corporation, and as a former officer of Dworkin-Wagner Furs, Inc., and Sydney S. Dworkin, individually and as a former officer of Dworkin-Wagner Furs, Inc., 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 com-

merce, 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:

1. Misbranding fur products by failing to affix a label to such fur product 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 and in accordance with the requirements of Rule 19(g) of the Rules and Regulations promulgated under the said Act.

2. Falsely or deceptively invoicing any fur product by 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 and in accordance with the requirements of Rule 19(g) of the Rules and Regulations promulgated under the said Act.

It is further ordered, That respondents Harold Wagner Furs, Inc., a corporation, formerly trading as Dworkin-Wagner Furs, Inc., a corporation, and its officers, and Harold S. Wagner, individually and as an officer of said corporation, and as a former officer of Dworkin-Wagner Furs, Inc., and Sydney S. Dworkin, individually and as a former officer of Dworkin-Wagner, Inc., and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported, or distributed in commerce.

It is further ordered, That respondents Harold Wagner Furs, Inc., a corporation, and its officers, and Harold S. Wagner, individually and as an officer of said corporation, 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 corporate respondent 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