

Complaint

IN THE MATTER OF

VOEDISCH BROTHERS, INC., TRADING AS
FOUR SEASONS SPORTING GOODS, ET AL.

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

Docket C-1731. Complaint, Apr. 20, 1970—Decision, Apr. 20, 1970

Consent order requiring a Chicago, Ill., distributor of fishing tackle and accessories to cease misrepresenting the country of origin of any product and the strength of its fishing lines, preticketing its merchandise at a deceptively higher price than prevalent in any trade area, making false savings claims, and furnishing others means to deceive purchasers.

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 Voedisch Brothers, Inc., a corporation, trading as Four Seasons Sporting Goods, and Phillip Teitelbaum, individually and as an officer of said 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, Voedisch Brothers, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at 1823 Milwaukee Avenue, Chicago, Illinois. Corporate respondent also trades as Four Seasons Sporting Goods.

Respondent, Phillip Teitelbaum, is an officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now and for some time last past, have been engaged in the advertising, offering for sale, sale and distribution of rods, reels, hooks, lines, sinkers, and various other items of fishing tackle and accessories to retailers for resale to the purchasing public.

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

PAR. 4. In the course and conduct of their business, and at all times mentioned herein, respondents have been and now are in substantial competition in commerce with corporations, firms and individuals engaged in the sale of fishing tackle and fishing accessories of the same general kind and nature as that sold by respondents.

PAR. 5. In the course and conduct of their business respondents have disseminated, and caused the dissemination of certain advertisements concerning said fishing tackle and fishing accessories by various means in commerce as "commerce" is defined in the Federal Trade Commission Act, including but not limited to advertisements by means of bubble packaged display cards which display the articles of merchandise for the purpose of inducing, and which were likely to induce directly or indirectly the purchase of said articles of merchandise; and have disseminated and caused the dissemination of advertisements by various means including those aforesaid, for the purpose of inducing and which were likely to induce directly or indirectly, the purchase of fishing tackle, in commerce as "commerce" is defined by the Federal Trade Commission Act.

PAR. 6. By means of advertisements disseminated as aforesaid, respondents have represented directly or by implication:

1. That certain products including spools of monofilament spinning line offered for sale are ". . . American made . . ." or are manufactured in the United States.

2. That certain spools of monofilament spinning line bearing a FOUR SEASONS label are of a quality and standard of strength described as "8 lb. test"; and

3. That preticketed prices appearing on the label of certain spools of fishing line bearing the FOUR SEASONS label which are visible to the consumer through the bubble package constituting a part of the display package is the regular or customary price at which the article of merchandise sells and that another price printed on the display card, which is substantially less than the former price, is a reduced or discount price representing a substantial savings to the consumer.

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

Description (by stock No.)	Spool price (price appearing on spool label)	Card price (price appearing in upper right- hand corner of display card)
F 340.....	\$0.95	59
F 350.....	1.05	69

PAR. 7. In truth and in fact:

1. Not all the products represented as being "... American made ..." were manufactured in the United States. Specifically certain products including certain spools of monofilament spinning line were manufactured in Japan.

2. Not all spools of monofilament spinning line meet the standard of strength as represented.

Specifically, certain spools of said spinning line are of a lesser standard of strength, to wit, certain spools of spinning line of a standard of strength described as "6 lb. test" are represented to be of a standard of strength described as "8 lb test."

3. The preticketed price appearing on the FOUR SEASONS label is not respondents' good faith estimate of the actual retail selling price of said products.

Instead, the usual and regular price at which the articles of merchandise are sold is the purported "reduced" or "discount" price which is substantially less than the preticketed price appearing on the label.

Therefore, the statements and representations as set forth in Paragraph Six hereof were, and are, false, misleading and deceptive.

PAR. 8. By the use of the aforesaid statements, representations and practices, respondents place in the hands of retailers and others the means and instrumentalities by and through which they may deceive and mislead the purchasing public as to the country or origin of respondents' products, the quality and characteristics of such products and the usual and regular prices at which such products are sold.

PAR. 9. 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 state-

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ments and representations were, and are, true and into the purchase of substantial quantities of respondents' merchandise by reason of said erroneous and mistaken belief.

PAR. 10. The aforesaid acts and practices of the 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 Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the above caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Deceptive Practices 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 respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by respondents of all 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 had reason to believe that the respondents have violated the said Act, 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 its order:

1. Respondent Voedisch Brothers, Inc., is a corporation, organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and place of business located at 1823 Milwaukee Avenue, Chicago, Illinois. Corporate respondent also trades as Four Seasons Sporting Goods.

Respondent Phillip Teitelbaum is the president of said corporation and his principal office and place of business is located at the above stated address.

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, Voedisch Brothers, Inc., a corporation and its officers, trading as Four Seasons Sporting Goods or under any other trade name or names, and Phillip Teitelbaum, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device in connection with the advertising, offering for sale, sale or distribution of fishing tackle, fishing accessories or any other product in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the term "American made" or any other words, terms or phrases of similar import or meaning to describe or refer to any product not wholly manufactured in the United States; or misrepresenting, in any manner, the country of origin of a product.

2. Representing, directly or by implication, that fishing lines are of a specified strength unless such lines are of the represented strength; or misrepresenting, in any manner, the performance characteristics of any product.

3. Preticketing merchandise with any stated price amount unless (a) it is respondents' bona fide estimate of the actual retail price of the product in the area where respondents do business; (b) it does not appreciably exceed the highest price at which substantial sales of said product are made in said trade area; and (c) unless respondents have conducted a market survey which establishes the validity of said preticketed price and maintain records of such survey for a period of three (3) years.

4. Misrepresenting, in any manner, the prices at which respondents' merchandise are sold at retail, or the savings available to purchasers thereof.

5. Furnishing to others the means and instrumentalities whereby the purchasing public may be misled or deceived as to the matters and things herein prohibited.

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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 of 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 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 the order.