

The opinion of the Commission accompanies this order.
Commissioners Elman and Jones filed separate statements.

IN THE MATTER OF
THE COLORADO SADDLERY COMPANY, ET AL.

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

Docket C-1742, Complaint, May 27, 1970—Decision, May 27, 1970

Consent order requiring a Denver, Colo., distributor of woolen saddle blankets and other western-type articles to cease misbranding and falsely advertising its wool products.

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 Colorado Saddlery Company, a corporation, and Pershing R. Van Scoyk, individually and as officer of the aforesaid corporation, sometimes 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 its 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 Colorado Saddlery Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Colorado.

Respondent Pershing R. Van Scoyk is an officer of the corporate respondent. He formulates, directs and controls the acts, practices and policies of the corporate respondent, including the acts, practices and policies hereinafter set forth.

Respondents are engaged in the sale and distribution of woolen saddle blankets and other western articles with their office and principal place of business located at 1631 15th Street, Denver, Colorado.

PAR. 2. Respondents now and for some time last past have introduced into commerce, sold, transported, distributed, delivered for shipment, shipped and offered for sale, in commerce as "commerce" is defined in the Wool Products Labeling Act of 1939, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a)(1) of the Wool Products Labeling Act of 1939 and Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were wool products which were stamped, tagged, labeled, or otherwise identified by respondents as 100 percent wool, whereas in truth and in fact, said products contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of said wool products were further 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 wool products, namely woolen saddle blankets, with labels on or affixed thereto which failed to disclose the percentage of the total fiber weight of the said wool products, exclusive of ornamentation not exceeding 5 per centum of the said fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool, when said percentage by weight of such fiber was 5 per centum or more; and (5) the aggregate of all other fibers.

PAR. 5. 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 methods of competition and unfair and deceptive acts and practices, in commerce, within the intent and meaning of the Federal Trade Commission Act.

PAR. 6. Respondents are now and for some time last past have been engaged in the advertising, offering for sale, sale and distribution of certain products, namely saddle blankets. In the course and

conduct of their business the 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 Denver, Colorado to purchasers 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. 7. Respondents in the course and conduct of their business have advertised their products, namely saddle blankets, by means of catalogues, which catalogues were distributed, in commerce, through the various States of the United States.

In the aforesaid catalogues, respondents have represented their blankets to be 100 percent wool and have designated their blankets as "Commanche," "Indian" and "Sun Dance," among other names, and thereby have represented that these blankets had been produced by Indian weavers. In truth and in fact, the said blankets were not 100 percent wool and had not been woven by Indian weavers and the said advertisements were false and deceptive.

PAR. 8. The acts and practices set out in Paragraph Seven have the tendency and capacity to mislead and deceive the purchasers of said products as to the true content and origin thereof.

PAR. 9. The foresaid acts and practices of respondents, as herein alleged were, and are, all to the prejudice and injury of the public, and constituted, and now constitute, unfair and deceptive acts and practices in commerce, within the intent and meaning 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 caption hereof, and the respondents having been furnished thereafter with a copy of the 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 Textile Fiber Products Identification Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, and 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 admis-

sion 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 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 The Colorado Saddlery Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Colorado.

Respondent Pershing R. Van Scoyk is an officer of said corporate respondent. He formulates, directs and controls the acts, practices and policies of said corporate respondent.

Respondents have their office and principal place of business located at 1631 15th Street, Denver, Colorado.

Respondents are engaged in the sale and distribution of woolen saddle blankets and other western articles.

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 The Colorado Saddlery Company, a corporation, and its officers, and Pershing R. Van Scoyk, 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 offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely and deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to or place on, each such product a stamp, tag, label, or other means of identification showing in a

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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.

It is further ordered, That respondents The Colorado Saddlery Company, a corporation, and its officers, and Pershing R. Van Scoyk, 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 advertising, offering for sale, sale or distribution of saddle blankets or other products in commerce, as "commence" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(a) Misrepresenting the character or amount of the constituent fibers contained in such products.

(b) Misrepresenting that their products are woven or manufactured by Indians.

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 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

LOU RUGGIERO 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-1743. Complaint, May 27, 1970—Decision, May 27, 1970

Consent order requiring two New York City manufacturing and wholesale furriers to cease falsely invoicing and deceptively guaranteeing its fur products.