

certain New York City handlers of furs which provide a service termed "dressing" which furnishes manufacturers with fur products ready to be manufactured into garments, and its constituent members to cease fixing prices for the dressing of fur products, engaging in any credit reporting

plan, circulating any information which would boycott any customer, attending meetings at which common courses of action are discussed, and exchanging information with any other fur dresser which would result in a common course of action.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act (15 U.S.C. § 41, *et seq.*), and by virtue of the authority vested in it by said Act, the Federal Trade Commission having reason to believe that the parties captioned above, and hereinafter more particularly named, designated, described and referred to as respondents, have violated the provisions of the 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 Fur Dressers Bureau of America, Inc., hereinafter referred to as F.D.B.A. is a nonprofit trade association organized and existing as a corporation under the laws of the State of New York, with its principal office and place of business at the Penn Garden Hotel, c/o Fur Dressers Industry Promotion Fund, New York, N.Y.

Among the stated purposes for which respondent F.D.B.A. was organized are those dealing with labor collective agreements, strike funds, vacation funds, pension funds, credit and collections, industry trade practices, and industry grievances.

Respondent F.D.B.A. is under the general control and management of a board of directors, elected at annual meetings of the F.D.B.A. Said board of directors consists of:

Herman Handros, president and also president of respondent Manhattan Fur Dressing Corporation;

Max Braunstein, vice-president, whose present address is: Stern-Braunstein, Inc., 235 West 29th Street, New York, N.Y.;

Herman Ringelheim, treasurer and also treasurer of respondent Brooklyn Better Bleach, Inc.; and

Max Sherrin, secretary, whose present address is: Market Processing Corp., 222 West 29th Street, New York, N.Y.

Said board of directors is empowered to and did select, as executive director, Albert J. Feldman, who is responsible to said board of directors for the day-to-day operation of respondent F.D.B.A.

All of the foregoing, having participated in the various acts and practices alleged to be unlawful in this complaint, are named as respondents herein, individually, as officers of the F.D.B.A., and except

for respondents Braunstein and Sherrin, as officers of the various respondent corporations with which each is affiliated.

PAR. 2. As of September 16, 1969, respondent F.D.B.A. had nine members, seven of which are named hereinafter as corporate respondents.

Respondent Manhattan Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 158-64 West 27th Street, New York, N.Y.

Respondent Brooklyn Better Bleach, Inc., is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 124 West 30th Street, New York, N.Y.

Respondent Bronx Fur Master, Mancini-Stern, Inc., is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 216 West 29th Street, New York, N.Y.

Respondent Laiken-Brand Fur Dressing Corporation, is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 406-426 West 34th Street, New York, N.Y.

Respondent Rapid Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 214 West 29th Street, New York, N.Y.

Respondent Market Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its last-known principal office and place of business at 152-159 West 27th Street, New York, N.Y.

Respondent Supreme Fur Dressing Co., Inc., is a corporation organized and existing under the laws of the State of New Jersey, with its principal office and place of business in Raritan, New Jersey.

PAR. 3. The individual parties respondent, named hereinafter, personally participated in meetings of the F.D.B.A. during which plans to carry out the acts and practices hereinafter described were formulated. They are:

Respondent Robert E. Levine, an individual, president of respondent, Brooklyn Better Bleach, Inc.;

Respondents Milton Stern and Norman Leiman, individuals, president and vice-president, respectively, of respondent Bronx Fur Master, Mancini-Stern, Inc.;

Respondent Irvin Laiken, an individual, president of respondent Laiken-Brand Fur Dressing Corporation;

Respondent William Davidson, an individual, vice-president of respondent Rapid Fur Dressing Corporation;

Respondent Milton Mainwold, an individual, president of respondent Market Fur Dressing Corporation; and

Respondent Irving Thomas Blechner, an individual, president of Elias Shuter's Sons, Inc., previously a corporate member of respondent F.D.B.A., said member being no longer actively engaged in the dressing of fur products. Respondent Blechner's current address is: Laiken-Brand Fur Dressing Corp., 406-426 West 29th Street, New York, N.Y.

PAR. 4. Respondent Meisel-Peskin Co., Inc., is a corporation organized and existing under the laws of the State of New York, with principal office and place of business at 349 Scholes Street, Brooklyn, New York. It is not a member of F.D.B.A.

Respondent Samuel J. Meisel (also known as Seymour J. Meisel), an individual, is vice-president and secretary of respondent Meisel-Peskin Co., Inc., and while not a member of respondent F.D.B.A., was invited to and frequently participated in meetings of respondent F.D.B.A. during which plans to carry out the acts and practices hereinafter described were formulated.

PAR. 5. Respondent Herman Basch & Co., Inc., is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 243 West 30th Street, New York, N.Y. It is not a member of F.D.B.A.

Respondent Julian Basch, an individual, is vice-president and treasurer of respondent Herman Basch & Co., Inc. He personally met with other individual respondents herein for the purpose and with the intent of carrying out acts and practices hereinafter described.

PAR. 6. The respondents enumerated in Paragraphs Two through Five herein, are and have been engaged in providing to manufacturers of fur garments and dealers in fur skins, in connection with fur products, a service termed "dressing," which converts the raw fur skins into a product which is ready to be manufactured into a finished garment.

PAR. 7. Respondent members of respondent F.D.B.A., as well as respondents Meisel-Peskin Co., Inc., and Herman Basch & Co., Inc., are now and for several years last past have been engaged in commerce as "commerce" is defined in the Federal Trade Commission Act in that they receive fur products for dressing from dealers in such products located in various States in the United States outside the State of New York. The dressed fur products are thereafter shipped by respondents to purchasers of respondents' services who manufac-

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ture said fur products into finished garments which are shipped and sold in various States of the United States. Thus, there is now and has been at all times mentioned herein, a continuous course of trade in commerce in connection with the fur products upon which respondents perform said dressing services.

PAR. 8. Except to the extent that competition has been hindered, frustrated, lessened and eliminated by acts and practices alleged in this complaint, respondents have been and continue to be in substantial competition with each other in the dressing of fur products.

PAR. 9. In the course and conduct of their business in the dressing of fur products as above described, and beginning at least as early as December 1968, and continuing to the present, the respondents named in Paragraphs Two through Five herein, acting collectively between and among themselves and/or through or by means of respondent F.D.B.A., have agreed, conspired or reached a common understanding to adopt and charge uniformly higher prices to customers in connection with the dressing of fur products.

Pursuant to said conspiracy, agreement or common understanding to charge uniformly higher prices for the dressing of fur products, respondents, or a number of them, in December 1968, raised their prices for the processing of mink skins with "leather out" from a level of about \$1.50 per skin to a uniform price of \$1.75 per skin. At the same time, respondents, or a number of them also raised their prices for the processing of mink skins with "hair out" from a level of about \$1.55-\$1.60 per skin to a uniform price of \$1.85 per skin.

PAR. 10. In the course and conduct of their business in the dressing of fur products as above described, and beginning at least as early as December 1968, and continuing to the present, the respondents named in Paragraphs Two through Five herein, acting collectively between and among themselves and/or through or by means of respondent F.D.B.A., have agreed, conspired or reached a common understanding to formulate, adopt, place into effect and utilize uniform terms and conditions of credit in connection with charges made to customers for the dressing of fur products.

Pursuant to said conspiracy, agreement or common understanding to adopt and utilize uniform terms and conditions of credit, respondents, or a number of them, beginning in December 1968, engaged in, among other things, the following acts and practices:

a. Instituted a credit information exchange and collection agency program through respondent F.D.B.A. for members and nonmembers.

b. Established uniform terms and conditions in connection with the extension of credit to customers by members and nonmembers of respondent F.D.B.A.

c. Required members and nonmembers of respondent F.D.B.A. to send sales information documents to F.D.B.A., including, but not limited to invoices, "pick up slips" and credit memoranda.

d. Exchanged information between and among themselves concerning price, credit, terms and conditions of sale of their fur dressing services.

PAR. 11. In the course and conduct of their business in the dressing of fur products as above described, and beginning at least as early as December 1968, and continuing to the present, the respondents named in Paragraphs Two through Five herein, acting collectively between and among themselves and/or through or by means of respondent F.D.B.A., have agreed, conspired or reached a common understanding to concertedly refuse to deal with certain manufacturers of fur products who were delinquent or in arrears in their accounts with certain of the respondents.

Pursuant to said conspiracy, agreement or common understanding to refuse to deal with customers, respondents, or a number of them, beginning about December 1968, periodically furnished respondent F.D.B.A. with the names of certain of their customers for the purpose of having such names compiled, listed and circulated by respondent F.D.B.A. to members and nonmembers of F.D.B.A. in furtherance of said conspiracy, agreement or common understanding.

PAR. 12. The effect of respondents' acts, practices, methods of competition and course of conduct hereinabove alleged, has been and may be substantially to restrain, lessen, injure, destroy and prevent competition in the dressing of fur products and in the manufacture and sale of garments made from such fur products. Said methods, acts, practices and course of conduct engaged in by respondents have been and are to the prejudice of the public, and constitute unfair methods of competition in commerce and unfair acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Federal Trade Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and,

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all jurisdictional facts set forth in the complaint

to issue herein, 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 agreement and having accepted same and the agreement containing consent order having thereupon been placed on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in Section 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Fur Dressers Bureau of America, Inc., hereinafter referred to as F.D.B.A., is a nonprofit trade association organized and existing as a corporation under the laws of the State of New York, with its principal office and place of business at the Penn Garden Hotel, c/o Fur Dressers Industry Promotion Fund, New York, N.Y.

Respondent F.D.B.A. is under the general control and management of a board of directors and an executive director, all of whom formulate, direct and control the policies, acts, and practices of said corporation, as well as the policies, acts, and practices of those corporations set forth next to their respective names. They are listed as follows:

Herman Handros, president and also president of respondent Manhattan Fur Dressing Corporation; whose principal office is located at 158-64 West 27th Street, New York, N.Y.

Max Braunstein, vice president, whose address is: Stern-Braunstein, Inc., 235 West 29th Street, New York, N.Y.

Max Sherrin, secretary, whose address is: Market Processing Corp., 222 West 29th Street, New York, N.Y.

Herman Ringelheim, treasurer and also treasurer of respondent Brooklyn Better Bleach, Inc., whose principal office is located at 124 West 30th Street, New York, N.Y.

Albert J. Feldman, executive director; whose principal office is the same as that of respondent F.D.B.A.

The following respondents are members of F.D.B.A. with office and principal place of business located at the address set forth next to their respective names:

Respondent Manhattan Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 158-64 West 27th Street, New York, N.Y.

Respondent Brooklyn Better Bleach, Inc., is a corporation organized and existing under the laws of the State of New York, with its

principal office and place of business at 124 West 30th Street, New York, N.Y.

Respondent Bronx Fur Master, Mancini-Stern, Inc., is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 216 West 29th Street New York, N.Y.

Respondent Laiken-Brand Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 406-426 West 34th Street, New York, N.Y.

Respondent Rapid Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 214 West 29th Street, New York, N.Y.

Respondent Market Fur Dressing Corporation is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 152-159 West 27th Street, New York, N.Y.

Respondent Supreme Fur Dressing Co., Inc., is a corporation organized and existing under the laws of the State of New Jersey, with its principal office and place of business in Raritan, New Jersey.

The individual parties respondent, named hereinafter, are or were officers of corporations named above; they formulate, direct and control, or previously formulated, directed and controlled, the policies, acts and practices of each of said corporations and their addresses are the same as those of said corporations.

Respondent Robert E. Levine, an individual, president of respondent, Brooklyn Better Bleach, Inc.;

Respondents Milton Stern and Norman Leiman, individuals, president and vice president, respectively, of respondent Bronx Fur Master, Mancini-Stern, Inc.;

Respondent Irving Laiken, an individual, president of respondent Laiken-Brand Fur Dressing Corporation;

Respondent William Davidson, an individual, vice president of respondent Rapid Fur Dressing Corporation;

Respondent Milton Mainwold, an individual, president of respondent Market Fur Dressing Corporation; and

Respondent Irving Thomas Blechner, an individual, president of Elias Shuter's Sons, Inc., previously a corporate member of respondent F.D.B.A., said member being no longer actively engaged in the dressing of fur products. Respondent Blechner's current address is: Laiken-Brand Fur Dressing Corp., 406-426 West 29th Street, New York, N.Y.

Respondent Meisel-Peskin Co., Inc., is a corporation organized and existing under the laws of the State of New York, with principal office and place of business at 349 Scholes Street, Brooklyn, New York. It is not a member of F.D.B.A.

Respondent Samuel J. Meisel (also known as Seymour J. Meisel), an individual, is vice president and secretary of respondent Meisel-Peskin Co., Inc., and formulates, directs and controls the policies, acts and practices of said corporation, and his address is the same as that of said corporation.

Respondent Herman Basch & Co., Inc., is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business at 243 West 30th Street, New York, N.Y. It is not a member of F.D.B.A.

Respondent Julian Basch, an individual, is vice president and treasurer of respondent Herman Basch & Co., Inc., and 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 Fur Dressers Bureau of America, Inc.; Bronx Fur Master, Mancini-Stern, Inc.; Brooklyn Better Bleach, Inc.; Laiken-Brand Fur Dressing Corporation (also doing business as Shuter Laiken-Brandt); Rapid Fur Dressing Corporation; Market Fur Dressing Corporation; Manhattan Fur Dressing Corporation; Supreme Fur Dressing Co., Inc.; Herman Basch & Co., Inc.; Meisel-Peskin Co., Inc.; corporations, and Herman Handros, individually and as an officer of Fur Dressers Bureau of America, Inc. and Manhattan Fur Dressing Corporation; Max Braunstein, individually and as an officer of Fur Dressers Bureau of America, Inc.; Max Sherin, individually and as an officer of Fur Dressers Bureau of America, Inc.; Herman Ringelheim, individually and as an officer of Fur Dressers Bureau of America, Inc. and Brooklyn Better Bleach, Inc.; Albert J. Feldman, individually and as executive director of Fur Dressers Bureau of America, Inc.; Robert E. Levine, individually and as an officer of Brooklyn Better Bleach, Inc.; Milton Stern and Norman Leiman, individually and as officers of Bronx Fur Master, Mancini-Stern, Inc.; Irving Laiken, individually and as an officer of Laiken-Brand Fur Dressing Corporation (also known as Shuter Laiken-Brandt); William Davidson, individually and as an officer of Rapid

Fur Dressing Corporation; Milton Mainwold, individually and as an officer of Market Fur Dressing Corporation; Samuel J. (also known as Seymour J.) Meisel, individually and as an officer of Meisel-Peskin Co., Inc.; Julian Basch, individually and as an officer of Herman Basch & Co., Inc.; and Irving Thomas Blechner, individually and respondents' officers, agents, representatives and employees, successors and assigns directly and indirectly, individually, or through any corporate or other device, or as members, officers, or directors of other respondents, in connection with the dressing of or offer to dress fur products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into, cooperating in, carrying out, or continuing any planned common course of action, understanding, agreement or conspiracy between or among any two or more of said respondents, or between any one or more of them and another or others not party hereto, to engage in any of the following acts or practices:

1. Establishing, fixing, controlling or maintaining prices, discounts or the terms and conditions of sale or credit in connection with the dressing of fur products.

2. Furnishing, exchanging or circulating any credit information or engaging in any credit reporting plan unless:

- (a) The members of the association are left free to determine on the basis of their individual judgment whether or not to sell to delinquent debtors and on what terms, and

- (b) There is freedom from collusion among members in regard to credit terms, prices, sales to specific customers, and there is freedom from any other joint action which would illegally restrain trade.

3. Publishing or disseminating or causing to be published or disseminated, the name of any customer or prospective customer for the purpose or with the effect of having the business of that customer or prospective customer boycotted.

It is further ordered, That respondents individually forthwith cease and desist from:

1. Attending meetings at which any other respondent or any competitor not a party hereto is present, at which prices, terms and conditions of sale or credit pertaining to the dressing of fur products are discussed, where such discussion has for its purpose or effect a planned, common course of action or agreement on prices, discounts, credit or conditions of sale.

2. Sending to, requesting from, or exchanging with any other respondent or any competitor not a party hereto, any informa-

tion written or oral in regard to prices, terms and conditions of sale or credit pertaining to the dressing of fur products, where said activities have for their purpose or effect the formulation of a program, agreement or planned common course of action with respect to prices, discounts, credit or conditions of sale.

Provided, however, That nothing herein shall prohibit any one of the individual respondents named in this order, who has permanently severed his prior affiliation with any of the named corporate respondents herein from accepting a position as an officer or employee of any other named corporate respondent. Where such individual respondent accepts a position as an officer or employee, with any other named corporate respondent, he shall not be deemed to be in conspiracy or unlawful agreement with that corporate respondent or any of its officers or employees under any of the terms or provisions of this order.

It is further ordered, That the respondent, Fur Dressers Bureau of America, Inc., shall furnish all current and future members with a copy of this agreement and order.

It is further ordered, That respondents, individually, notify the Commission within thirty (30) days after any change in any corporate respondent such as dissolution, assignment or sale resulting in the emergence of successor corporations, the creation or dissolution of subsidiaries or any other change in any corporation which may affect compliance obligations arising out of the order.

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.

Provided further, That entry of this order by the Commission does not constitute an admission by respondents that they have violated the law as alleged in the complaint which the Commission has issued.

IN THE MATTER OF

VALMOR PRODUCTS COMPANY, ET AL.

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

Docket C-2027. Complaint, Sept. 3, 1971—Decision, Sept. 3, 1971

Consent order requiring a Chicago, Ill., seller and distributor of wigs to cease misrepresenting the price at which any of its merchandise was sold, mis-