

Complaint

81 F.T.C.

IN THE MATTER OF

CHARLES LEVINE & CO., INC., ET AL.

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

Docket C-2310. Complaint, Nov. 1, 1972—Decision, Nov. 1, 1972

Consent order requiring a New York, New York, importer and wholesaler of fur skins, among other things to cease falsely advertising and deceptively invoicing its fur products and failing to maintain adequate records.

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 Charles Levine & Co., Inc., a corporation and Charles Levine, individually and as an officer of the said corporation hereinafter referred to as respondents, have violated the provisions of the 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 Charles Levine & Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Charles Levine is an officer of the corporate respondent and formulates, directs, and controls, the acts, practices and policies of the said corporate respondent including those hereinafter set forth.

Respondents are importers and wholesalers of fur skins with their office and principal place of business located at 358 Seventh Avenue, 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 "com-

merce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products or furs 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 or furs but not limited thereto were fur products or furs covered by invoices which failed:

1. To show the true animal name of the fur.
2. To disclose that the fur was pointed, bleached, dyed or otherwise artificially colored when such was the fact.

PAR. 4. Respondents sold and distributed fur products or furs which were pointed, bleached, dyed or artificially colored. Certain of these fur products or furs were falsely and deceptively invoiced in violation of Section 5(b)(2) of the Fur Products Labeling Act in that the said fur products or furs were described on invoices as "Dr. & Processed Ranch Males" without disclosing that said fur products or furs were pointed, bleached, dyed or otherwise artificially colored. The respondents' description of the said fur products or furs as "Dr. & Processed Ranch Males" without a disclosure that the said fur products or furs were bleached, pointed, dyed or artificially colored had the tendency and capacity to mislead respondents' customers and others into the erroneous belief that the fur products or furs were not pointed, bleached, dyed or otherwise artificially colored. Such failure to disclose a material fact was to the prejudice of respondents' customers and the purchasing public and constituted false and deceptive invoicing under 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 and deceptive acts and practices and unfair methods of competition 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 Division of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with viola-

tion 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 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 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 Charles Levine & Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Charles Levine is an officer of the said corporation. He formulates, directs, and controls the acts, practices and policies of the said corporation.

Respondents are importers and wholesalers of fur skins with their office and principal place of business located at 358 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 Charles Levine & Co., Inc., a corporation, its successors and assigns, and its officers, and Charles Levine, individually and as an officer of the said corporation, and respondents' representatives, agents and employees, directly or through any corporation, subsidiary, division, 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 commerce, 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; 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 and deceptively invoicing fur products or furs 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 Section 5(b)(1) of the Fur Products Labeling Act.

2. Failing when a fur or fur product is pointed or contains or is composed of bleached, dyed or otherwise artificially colored fur, to disclose such facts as a part of the required information on invoices pertaining thereto.

3. Representing, directly or by implication, on invoices that the fur contained in furs or fur products is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

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 this 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 individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business or employment in which he is engaged as well as a description of his duties and responsibilities.

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

81 F.T.C.

IN THE MATTER OF

THE YARDAGE SHOP, ET AL.

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

Docket C-2311. Complaint, Nov. 1, 1972—Decision, Nov. 1, 1972

Consent order requiring a Sacramento, California, distributor and retailer of wool products and textile fiber products, among other things to cease misrepresenting the fiber content of its wool products and falsely advertising and misbranding its textile fiber products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Textile Fiber Products Identification 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 the Yardage Shop, a corporation, and Dan Goldenberg, 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 the Textile Fiber Products Identification 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, the Yardage Shop, is a corporation organized, existing and doing business under and by virtue of the laws of the State of California with its office and principal place of business located at 3106 Arden Way in the city of Sacramento, State of California.

Respondent Dan Goldenberg 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 introduction, delivery for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce of textile fiber products; and in the sale, offering for sale, advertising, delivery, transportation, and causing to be transported, of textile fiber products which have been advertised or offered for sale in commerce; and in the sale,