

IN THE MATTER OF

JIM WALTER CORPORATION, ET AL.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF SEC. 5 OF
THE FEDERAL TRADE COMMISSION ACT AND SEC. 7 OF THE CLAYTON ACT

Docket 8986. Amended Complaint, June 15, 1982—Decision, Nov. 30, 1983

This consent order requires a leading manufacturer of shell housing and construction materials, and its wholly-owned subsidiary, among other things, to timely divest, to a Commission-approved buyer, the asphalt roofing plants located in Wilmington, Ill., Philadelphia, Pa., Chester, W. Va. and Memphis, Tenn., including their adjacent felt mills. Should any of the plants not be divested within 15 months of the effective date of the order, a trustee appointed by the Commission will effect divestiture of the remaining plant or plants. The order requires respondents to cooperate with the trustee in the discharge of his/her duties, and compensate him/her for the reasonable value of his/her services, including expenses. Further, for a period of 10 years, respondents are prohibited from acquiring any asphalt roofing plant in 41 specified states without prior Commission approval.

Appearances

For the Commission: *David W. Long.*

For the respondents: *W. Donald McSweeney, William A. Montgomery, John J. Voortman and Walter C. Greenough, Schiff, Hardin & Waite, Chicago, Ill.*

AMENDED COMPLAINT

In the exercise of authority vested in it by the Federal Trade Commission Act, the Federal Trade Commission, having reason to believe that respondents Jim Walter Corporation, a corporation, and The Celotex Corporation, a corporation, have violated Section 7 of the Clayton Act (15 U.S.C. 18) and Section 5 of the Federal Trade Commission Act (15 U.S.C. 45), and that a further proceeding in respect thereof concerning the acquisition of and merger with Panacon Corporation, would be in the public interest, issues this amended complaint charging as follows:

I. DEFINITIONS

1. For the purpose of construing this complaint the following definitions shall be controlling:

(a) *Saturated felts* consist of a dry felt base, made from rags, wood,

and other cellulose fibers or from glass fibers or asbestos, which is saturated, coated or impregnated with an asphalt or tar saturant.

(b) *Roll roofing* is made from a saturated felt by applying an additional coating of more viscous, weather-resistant asphalt.

(c) *Asphalt shingles* are mineral-surfaced roll roofing machine-cut into squares or strips.

(d) *Asphalt and tar roofing materials* and *asphalt roofing materials* are used interchangeably herein to refer to saturated felts, roll roofing, and asphalt shingles, but specifically excludes accessory items such as asphalt cements, adhesives, primers, and mineral granules.

(e) *Elastomeric roofing materials* includes both solid pre-formed sheets and liquids made of synthetic polymer materials. The principal elastomeric roofing materials, available in either liquid or sheet applied systems, include acrylic, butyl, chlorosulphinated polyethylene, EPDM, neoprene, polyvinyl chloride (PVC), vinyl, rubberized asphalt, silicone and urethane.

II. RESPONDENTS

2. Jim Walter Corporation (hereafter "JWC") is a publicly-held corporation chartered and operating under the laws of the State of Florida, with its principal place of business at 1500 North Dale Mabry Highway, Tampa, Florida.

3. The Celotex Corporation (hereafter "Celotex" or the "Celotex Division") is a fully-owned subsidiary of JWC, chartered under the laws of the State of Delaware. Its principal place of business is 1500 North Dale Mabry Highway, Tampa, Florida.

4. In addition to being the leading manufacturer of shell (partially finished) housing, JWC also ranks as a major producer of construction materials. At the time of the acquisition in question here (*see* IV, *infra*), most of the corporation's activities were conducted through eight operational groups: mineral and fiber products; metals and wood products; stone and concrete products; pipe products; homebuilding supplies; paper; sugar operations; and oil and gas operations. Since its incorporation in 1955, JWC has managed to increase its share of the shell house market by internal expansion, and diversified into homebuilding supplies via acquisition. During the period 1964 to 1974 alone, JWC acquired no fewer than seventeen separate companies. For its fiscal year ending August 31, 1972, the year of the acquisition in question, JWC reported revenues of \$881,737,000; total assets of \$983,217,000; and a net income of \$44,568,000. On the basis of these figures, the May 1973 *Fortune 500* issue ranked JWC as the 161st largest industrial corporation in the United States.

5. On July 12, 1962, JWC revealed the details of its agreement to purchase a 34 percent stock interest in Celotex. A principal manufac-

turer of insulation fiberboard, mineral wool, gypsum, and asphalt roofing materials, Celotex became a fully-owned subsidiary of JWC by the close of 1964. JWC further expanded its capacity to produce building materials and, in particular, roofing products by acquiring the Barrett Building Materials Division of Allied Chemical Corporation in 1967. The merger of Barrett into JWC's Celotex Division extended Celotex' capabilities in roofing materials from one plant to eight.

6. At all times relevant to this complaint JWC and Celotex sold and shipped, and continue to sell and ship, their products in interstate commerce throughout the United States. Consequently, JWC and Celotex were at the date of the acquisition in question here, and are now, engaged in or affecting commerce as "commerce" is defined in the Clayton Act (15 U.S.C. 12) and the Federal Trade Commission Act (15 U.S.C. 44).

III. PANACON CORPORATION

7. Prior to April 17, 1972, Panacon Corporation (hereafter "Panacon") was a corporation chartered and operating under the laws of the State of Michigan, with a principal place of business at 320 South Wayne Ave., Cincinnati, Ohio. The Glen Alden Corporation owned 89 percent of the outstanding common stock of Panacon prior to April 1972.

8. At the time of its acquisition, Panacon was a substantial manufacturer of a wide range of products for residential and commercial construction and industrial applications. Organized in six operating divisions, Panacon produced and marketed such diverse products as vitreous china, porcelain-on-steel plumbing ware, floor tiles, roofing materials, insulations, bathroom cabinets, lighting fixtures, ventilating fans, electric fireplaces, and water heaters. For its fiscal year ending December 31, 1971, Panacon reported revenues of \$181,129,000; total assets of \$106,008,000; and a net profit of \$10,591,000.

9. On April 9, 1970, the Plan and Agreement of Merger executed on December 31, 1969, by the Philip Carey Corporation and Briggs Manufacturing Company was consummated. Under the terms of this agreement Carey was merged into Briggs, and Briggs, as the surviving entity, adopted the new name of Panacon Corporation. Each share of the Briggs common stock was exchanged for one share in Panacon; all of the Carey common stock was converted into 4,644,000 shares of common and 7,356,000 shares of Class A common stock in Panacon.

10. At all times relevant to this complaint Panacon sold and shipped products in interstate commerce and, therefore, was engaged in or affected commerce as "commerce" is defined in the Clayton Act (15 U.S.C. 12) and the Federal Trade Commission Act (15 U.S.C. 44).

IV. THE ACQUISITION

11. Pursuant to an agreement signed earlier in the month, JWC purchased an 89 percent stock interest in Panacon from Glen Alden Corporation for \$62,000,000 on April 17, 1972. On June 29, 1972, the shareholders of Panacon voted to approve the merger of Panacon into the Celotex Division of JWC. Thereafter, JWC completed its takeover by giving the remaining shareholders cash for their 11 percent interest. The total cost of the acquisition was approximately \$73,000,000.

V. TRADE AND COMMERCE

12. Functionally, the production of asphalt and tar roofing materials breaks down into two distinct processes: (1) the preparation of a base (dry felt, asbestos, or fiberglass) mat; and (2) the conversion of this mat into saturated felts, roll roofing, or shingles. The majority of asphalt roofing materials derive from a dry felt base saturated with asphalt flux, coated with mineral granules, and cut into sheets or shingles.

13. Today a substantial percentage of all roofing applied in the United States is produced by the asphalt roofing industry. There are approximately 24 manufacturers of asphalt roofing materials operating a total of approximately 120 plants in the United States.

14. By 1980, elastomeric roofing materials accounted for approximately 11 percent of the combined domestic sales of asphalt roofing materials and elastomeric roofing materials used in commercial and industrial roofing applications.

15. There are two competitively significant lines of commerce or relevant product markets in which to analyze the effects of the acquisition. The first product market consists of all asphalt and tar roofing materials. The second product market consists of all asphalt and tar roofing materials and elastomeric roofing materials.

16. There are two competitively significant sections of the country or relevant geographic markets in which to analyze the effects of the acquisition. The first geographic market consists of all States within the continental United States except the States of California, Oregon, Washington, Arizona, Nevada, Utah and Idaho (hereafter the "41-state market"). The second geographic market consists of 26 contiguous States (listed in alphabetical order): Alabama, Arkansas, Connecticut, Delaware, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin (hereafter the "26-state market").

17. In 1971, the year prior to the acquisition, sales by producers of

asphalt and tar roofing materials in the 41-state market totalled approximately \$579.7 million, with the four largest firms accounting for approximately 51.7 percent and the eight largest firms accounting for approximately 82.5 percent of sales. In that year in the 41-state asphalt and tar roofing materials market, Panacon was the fourth largest firm, accounting for approximately 10.1 percent of sales, and JWC was the sixth largest firm, accounting for 8.8 percent of sales.

18. In 1972, the year of the acquisition, sales of asphalt and tar roofing materials in the 41-state market totalled approximately \$654.4 million, with the four largest firms accounting for approximately 61.6 percent and the eight largest firms accounting for approximately 85.8 percent of sales. As a result of the acquisition, JWC became the second largest firm in the 41-state asphalt and tar roofing materials market with approximately 18.4 percent of sales in 1972.

19. In 1971, the year prior to the acquisition, sales by producers of asphalt and tar roofing materials in the 26-state market totalled approximately \$477 million, with the four largest firms accounting for approximately 52.4 percent and the eight largest firms accounting for 84.7 percent of sales. In that year in the 26-state asphalt and tar roofing materials market, Panacon was the second largest firm, accounting for approximately 11.7 percent of sales, and JWC was the sixth largest firm, accounting for approximately 9.7 percent of sales.

20. In 1972, the year of the acquisition, sales of asphalt and tar roofing materials in the 26-state market totalled approximately \$532.9 million, with the four largest firms accounting for approximately 62.6 percent and the eight largest firms accounting for approximately 87.3 percent of sales. As a result of the acquisition, JWC became the largest firm in the 26-state asphalt and tar roofing materials market with approximately 20.7 percent of sales in 1972.

21. In 1971 and 1972, sales of elastomeric roofing materials in both the 41-state and 26-state markets were relatively minor compared to sales of asphalt and tar roofing materials. Thus, in those years, the size and concentration of the market for asphalt and tar roofing materials and elastomeric roofing materials in both the 41-state and 26-state sections of the country were substantially similar to the markets described in Paragraphs 17 through 20 above.

VI. EFFECTS OF THE ACQUISITION

22. The effect of the acquisition of Panacon by JWC has been and may be substantially to lessen competition or to tend to create a monopoly in the manufacture, sale, and distribution of asphalt and tar roofing materials, and asphalt and tar roofing materials, and elastomeric roofing materials, in both the 41-state and 26-state sections of the country in the following ways, among others:

(a) By eliminating actual competition between JWC and Panacon in the manufacture, sale and distribution of asphalt roofing materials.

(b) The ability of JWC's competitors to compete in the manufacture, sale and distribution of asphalt and tar roofing materials or elastomeric roofing materials has been, and may be, further substantially diminished.

(c) The probability of JWC's competitors pricing their asphalt and tar roofing materials or elastomeric roofing materials on an independent basis has been, and may be, further substantially impaired as a result of the increased potential for price leadership among manufacturers of asphalt and tar roofing materials and among manufacturers of asphalt and tar roofing materials or elastomeric roofing materials.

(d) The entry of new asphalt and tar roofing materials manufacturers may have been, and may be, significantly discouraged or retarded.

(e) The ability of purchasers of asphalt roofing materials, as defined herein, to select from alternative manufacturers has been and may be substantially limited.

VII. VIOLATIONS CHARGED

23. The acquisition of Panacon by JWC constitutes a violation of Section 7 of the Clayton Act, as amended (15 U.S.C. 18).

24. The acquisition of Panacon by JWC constitutes a violation of Section 5 of the Federal Trade Commission Act, as amended (15 U.S.C. 45).

Commissioner Pertschuk did not participate.

DECISION AND ORDER

The Commission having heretofore issued its amended complaint charging the respondents named in the caption hereof with violation of Section 7 of the Clayton Act, as amended, and Section 5 of the Federal Trade Commission Act, as amended, and the respondents having been served with a copy of that amended complaint, together with a notice of contemplated relief; and

The respondents, their attorney, 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 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 Secretary of the Commission having thereafter withdrawn this

matter from adjudication in accordance with Section 3.25(c) of its Rules; and

The Commission having considered the matter and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in Section 3.25(f) of its Rules, the Commission hereby makes the following jurisdictional findings and enters the following order:

1. Respondent Jim Walter Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida, with its office and principal place of business located at 1500 North Dale Mabry Highway, in the City of Tampa, State of Florida.

2. Respondent The Celotex Corporation, a wholly-owned subsidiary of Jim Walter Corporation, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 1500 North Dale Mabry Highway, in the City of Tampa, State of Florida.

3. 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

For the purpose of this Order the following definitions shall apply:

1. *Respondents* means Jim Walter Corporation ("JWC"), a corporation incorporated under the laws of the State of Florida, with its principal place of business at 1500 North Dale Mabry Highway, Tampa, Florida, The Celotex Corporation ("Celotex") (a wholly-owned subsidiary of JWC), a corporation incorporated under the laws of the State of Delaware with its principal place of business at 1500 North Dale Mabry Highway, Tampa, Florida, their subsidiaries, successors and assigns, and their officers, directors and agents.

2. *Plants* means the asphalt roofing plants owned by Celotex, together with all properties and assets thereof, including their adjacent felt mills, if any, and all additions and improvements thereto, that are located at:

- (a) Wilmington, Illinois;
- (b) Philadelphia, Pennsylvania;
- (c) Chester, West Virginia; and
- (d) Memphis, Tennessee;

provided, however, that the term plants does not include those assets

or properties disposed of by respondents in the ordinary course of the business of operating or renovating such facilities for the manufacture of asphalt roofing products; and *provided further* that the term *plants* does not include such properties or assets as would otherwise be part of a plant, where the eligible person acquiring a plant elects, in its sole discretion, but subject to the approval of the Commission, not to acquire those properties or assets.

3. *Person* means any individual, corporation, partnership, joint venture, trust, unincorporated association, or other business or legal entity.

4. *Asphalt Roofing Plant* means a plant for the manufacture of *asphalt roofing products* as such products are defined in Paragraphs I(1)(a)-(d) of the Amended Complaint.

5. *Eligible Person* means any person or persons approved in advance by the Commission who has the capacity and intention to operate the plant(s) to be acquired as a facility or facilities for the manufacture of asphalt roofing products.

6. *Commission* means the Federal Trade Commission.

7. *Director* means the Director of the Commission's Bureau of Competition.

8. *Relevant Market* means the Continental United States with the exception of the States of California, Oregon, Washington, Arizona, Nevada, Utah and Idaho.

I.

It is ordered, That, within twenty-four months of the effective date of this Order, respondents, either directly or through the trustee provided in Paragraphs II and III below, shall divest the plants located at Wilmington, Illinois; Philadelphia, Pennsylvania; Chester, West Virginia; and Memphis, Tennessee, either separately or in any combination, to one or more eligible persons in such a way as to reasonably ensure that the plants can be operated by the eligible person or persons as a facility or facilities for the manufacture of asphalt roofing products. The divestiture or divestitures shall be absolute and unconditional and on terms and conditions approved in advance by the Commission. Nothing in this Order shall be deemed to prohibit respondents from accepting and enforcing a bona fide lien, mortgage, deed of trust or other form of security interest received by respondents to secure full payment of the consideration for which the plants are divested. If respondents, by enforcement or settlement of any such bona fide lien, mortgage, deed of trust or other form of security interest, reacquire ownership, possession or control of any of the plants, within three years from the date of divestiture, they shall promptly

notify the Director in writing, and shall dispose of any such plant or plants in accordance with the terms of this Order as if this Order were reissued on the date of such reacquisition.

II.

It is further ordered, That any plants not divested by respondents within fifteen months from the effective date of this Order shall be subject to divestiture by a trustee to be appointed by the Commission in accordance with the following procedures: (a) if any plants remain to be divested at the end of twelve months following the effective date of this Order, respondents and the Director or his designee shall promptly begin negotiations to identify mutually acceptable candidates for trustee; (b) respondents and the Director shall submit the name of one or more mutually acceptable candidates (or if respondents and the Director fail to agree, the names of their separate candidates), to the Commission no later than the end of the fourteenth month following the effective date of this Order; (c) such nominations shall be accompanied by a proposed trust agreement and such other information as may be helpful to the Commission's determination; and (d) the Commission will then appoint the trustee from among the candidates nominated by respondents and the Director. Promptly upon the appointment of the trustee, respondents shall execute a trust agreement consistent with the provisions of this Order and subject to approval by the Director, that transfers to the trustee all rights and powers necessary to permit him to divest the remaining plant or plants in accordance with the terms of this Order. The trustee shall be charged to attempt diligently and in good faith to effect divestiture of the plant or plants in any manner consistent with the terms of this Order as quickly as possible within nine months from the date of the execution of the trust agreement. Pending divestiture of the plant or plants, respondents shall be permitted to continue to manage the plant or plants for their own accounts. Upon divestiture of one or more plants, and after deducting his/her fees and expenses, as provided in this Order and the trust agreement, the trustee shall pay to respondents any remaining proceeds. If the trustee is unable to divest a plant or plants within such nine-month period, then respondents are relieved from the provisions of this Order requiring divestiture of such plant or plants; *provided, however,* that if divestiture is delayed by reason of a disagreement between or among respondents, the trustee and the Commission concerning the interpretation or implementation of this Order, the nine-month period for divestiture by the trustee shall be extended day-for-day by the number of days such disagreement remains unresolved. If the trustee

resigns or fails or ceases to act diligently, the Commission may appoint a substitute trustee to divest the plant or plants in accordance with the terms of this Order. The appointment of a trustee shall not preclude the Commission from seeking any remedy that may be available to it for any failure by respondents to undertake their obligations set forth in Paragraphs II through VIII of this Order.

III.

It is further ordered, That if a trustee is appointed:

A. Respondents shall compensate the trustee for the reasonable value of his/her services necessary to effect the divestiture of the plant or plants.

B. Respondents shall reimburse the trustee for the reasonable value of all expenditures and other obligations incurred by the trustee that are reasonably related to his/her efforts to divest the plant or plants.

C. Respondents shall provide the trustee with such access to their books and records as may be necessary for the trustee to ascertain such facts as are reasonably related to his efforts to divest the plant or plants.

D. Respondents shall empower the trustee to disclose information respecting the plant or plants to potential acquirers so that they may evaluate the plant or plants being offered, and shall allow inspection of the plants by prospective acquirers. With respect to such information designated by the respondents as proprietary or confidential, the trustee shall secure an agreement from each person to whom disclosure is made to hold confidential any information disclosed and to use the information solely for the purpose of evaluating plant or plants and not to employ it for any business or competitive purpose.

E. Respondents shall make available to the trustee their employees who have knowledge of the history, characteristics and operating potential of the plant or plants so that the trustee may ascertain such facts as are reasonably related to his efforts to divest the plant or plants. The trustee shall give reasonable notice to the respondents of any request for access to their personnel who, at the sole election of respondents, may be accompanied by attorneys representing the respondents at any meeting with the trustee.

F. The trustee shall be authorized to retain independent legal counsel and other persons for purposes of discharging the functions set forth above. Respondents shall reimburse the trustee for the reasonable value of all expenses so incurred.

G. Respondents shall cooperate with the trustee in the discharge of his/her duties and shall provide all evidences of transfer, consents

and related documents as may be necessary to divest any plant or plants approved for divestiture by the Commission.

H. If respondents and the trustee are unable to resolve a dispute regarding the reasonable value of his/her services or the reasonableness of an expenditure or obligation incurred by the trustee in connection with his/her efforts to divest the plant or plants, then the respondents and the trustee shall submit the dispute to the Commission for resolution. The trust agreement shall recite that the Commission's determination of the reasonable value of the trustee's services or the reasonableness of expenditures and other obligations incurred by the trustee shall be binding upon respondents and the trustee.

IV.

It is further ordered, That pending the divestitures required by this Order, respondents shall not cause, and shall use their best efforts to prevent, any deterioration of the plants that may impair the marketability of any such plants, normal wear and tear excluded. Respondents may, but shall not be required to, make capital expenditures for the improvement of the plants. Nothing in this Order shall prevent respondents from operating or not operating the plants or furloughing employees at the plants in a manner consistent with normal business practice, comparable to the manner in which they operate or furlough at their other asphalt roofing plants, pending the divestitures required by this Order.

V.

It is further ordered, That for a period of ten years from the date of this Order, respondents shall not directly or indirectly acquire, through purchase, lease or other transaction that would confer ownership, possessory interest or control, any asphalt roofing plant located in the relevant market, without the prior approval of the Commission. The provisions of this Paragraph shall not apply to the reacquisition by respondents of any plant or plants through the enforcement of any bona fide lien, mortgage, deed of trust, or other form of security interest as provided in Paragraph I.

VI.

It is further ordered, That respondents and the trustee, if a trustee is appointed, shall within ninety days from the effective date of this Order and every ninety days thereafter until the divestitures required by this Order are completed, submit in writing to the Commis-

sion a verified report setting forth in detail the manner and form in which respondents or the trustee, as applicable, intend to comply, are complying, and have complied with the terms of this Order and such additional information relating thereto as the Commission may from time to time reasonably require.

VII.

It is further ordered, That respondents notify the Commission at least thirty days prior to effecting any proposed change in corporate respondents which may affect compliance with the obligations arising out of this Order, 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 corporations.

VIII.

It is further ordered, That respondents shall, upon written request of the Director made to respondents at their principal offices for the purpose of securing compliance with this Order, and for no other purpose, permit duly authorized representatives of the Commission, subject to any legally recognized privilege:

(1) reasonable access during the office hours of respondents, which may have counsel present, to those books, ledgers, accounts, correspondence, memoranda, and other records and documents in respondents' possession or control which relate materially and substantially to any matter contained in this Order; and

(2) an opportunity, subject to the reasonable convenience of respondents, to interview officers or employees of respondents, who may have counsel present, regarding such matters.

The foregoing provision shall not be interpreted to provide any access for the Commission to records relating to any of the business activities of respondents other than those relevant to the plants subject to this Order.

Commissioners Pertschuk and Calvani did not participate.

Complaint

102 F.T.C.

IN THE MATTER OF

LLOYD'S FURS, INC.

CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATION OF SEC. 5 OF
THE FEDERAL TRADE COMMISSION ACT*Docket C-3128. Complaint, Dec. 5, 1983—Decision, Dec. 5, 1983*

This consent order requires a Denver, Colo. company engaged in the advertising, sale and distribution of furs and fur-containing garments, among other things, to cease falsely representing a garment's designer or manufacturer. The order requires that any fur or fur-containing garment bearing a manufacturer's or designer's label accurately identify the manufacturer or designer of the garment. Further, respondent must comply with all written labeling instructions received from a manufacturer or designer, and maintain records documenting from whom a garment was received and to whom it was sold, as well as records documenting compliance with the Fur Products Labeling Act and this order.

Appearances

For the Commission: *F. Kelly Smith.*

For the respondent: *James E. Hartley, Holland & Hart, Denver, Colo.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by that Act, the Federal Trade Commission, having reason to believe that Lloyd's Furs, Inc., a corporation, hereinafter sometimes referred to as respondent, has 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 Lloyd's is a corporation, organized, existing and doing business under and by virtue of the laws of the State of Colorado, having its office and principal place of business at 1543 Stout Street, Denver, Colorado.

PAR. 2. Respondent is now, and for some time last past has been engaged in the purchasing, offering for sale, sale, and distribution of fur-containing garments and related products to the public at retail.

PAR. 3. In the ordinary course and conduct of its business, respondent operates retail sales outlets in Denver, Colorado, and in several midwestern and western states. It causes and has caused the conduct