

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 26th day of September, 1959, become the decision of the Commission; and, accordingly:

It is ordered, That the respondent herein shall within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF

MANDEL BROTHERS, INC.

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

Docket 6434. Modified order, Sept. 29, 1959

Order rephrasing, in accordance with the order of the Supreme Court of May 4, 1959, 359 U.S. 385, affirming as thus modified, the Commission's order of July 5, 1957, 54 F.T.C. 50, requiring cessation of false invoicing, false advertising, and misbranding of fur products.

MODIFIED ORDER TO CEASE AND DESIST

This proceeding having been heard by the Commission upon the whole record, including briefs and oral argument; and the Commission having rendered its decision and having issued its order to cease and desist on July 5, 1957; and

Respondent Mandel Brothers, Inc., having filed in the United States Court of Appeals for the Seventh Circuit its petition to review and set aside the order to cease and desist issued herein, and that court having rendered its decision on April 1, 1958, modifying said order of the Commission¹; and

The Supreme Court of the United States thereafter on May 4, 1959, having reversed the United States Court of Appeals for the Seventh Circuit with respect to the modification ordered and the Supreme Court having directed that the said order of the Commission, in certain respects be rephrased²; and

¹ 254 F. 2d 18.

² 359 U.S. 385.

Order

56 F.T.C.

The United States Court of Appeals for the Seventh Circuit having denied the petition of respondent to set aside the Commission's order to cease and desist, and having thereafter on September 3, 1959, entered its final decree modifying, in accordance with the decision of the Supreme Court of the United States, and affirming and enforcing, as modified, the order to cease and desist issued by the Commission on July 5, 1957:

Now, therefore, it is hereby ordered, That respondent, Mandel Brothers, Inc., a corporation, and its officers representatives, agents and employees, directly or through any corporate or other device, 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 product, or in connection with the sale, advertising, offering for sale, transportation or distribution of any fur product which has been made in whole or in part of fur which has been shipped and received in commerce, as "commerce," "fur" and "fur products" are defined in the Fur Products Labeling Act, do forthwith cease and desist from—

A. Misbranding fur products by—

1. Failing to affix labels to fur products showing each element of information required by the Act;

2. Setting forth on labels attached to fur products—

- (a) Required information in abbreviated form or in handwriting;
- (b) Non-required information mingled with required information.

B. Falsely or deceptively invoicing fur products by—

1. Failing to furnish invoices to purchasers of fur products showing each element of information required by the Act;

2. Setting forth required information in abbreviated form;

3. Failing to show the item number or mark of fur products on the invoices pertaining to such products.

C. Falsely or deceptively advertising fur products through the use of any advertisement, public announcement, or notice which is intended to aid, promote or assist, directly or indirectly, in the sale or offering for sale of fur products, and which represents directly or by implication that the regular or usual price of any fur product is any amount which is in excess of the price at which respondent has usually and customarily sold such products in the recent regular course of its business;

D. Making pricing claims or representations of the type referred to in Paragraph C above, unless there is maintained by respondent full and adequate records disclosing the facts upon which such claims or representations are based.

It is further ordered, That the respondent, Mandel Brothers, Inc., shall, within sixty (60) days after service upon it of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with the order to cease and desist.

IN THE MATTER OF
METROPOLITAN VACUUM CLEANER COMPANY, INC.,
ET AL.

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

Docket 7406. Complaint, Feb. 13, 1959—Decision, Sept. 29, 1959

Consent order requiring two associated New York City distributors of vacuum cleaners and sewing machines to cease representing—in advertising media and instruction booklets—fictitious amounts as the usual retail prices; and to cease deceptive use of such expressions as “fully guaranteed” and “lifetime service insurance policy” in connection with their products.

Mr. Michael J. Vitale for the Commission.

Mr. Samuel Mirkin, of New York, N.Y., for respondents.

INITIAL DECISION BY WALTER R. JOHNSON, HEARING EXAMINER

In the complaint dated February 13, 1959, the respondents are charged with violating the provisions of the Federal Trade Commission Act.

On July 31, 1959, the respondents and their attorney entered into an agreement with counsel in support of the complaint for a consent order.

Under the foregoing agreement, the respondents admit the jurisdictional facts alleged in the complaint. The parties agree, among other things, that the cease and desist order there set forth may be entered without further notice and have the same force and effect as if entered after a full hearing and the document includes a waiver by the respondents of all rights to challenge or contest the validity of the order issuing in accordance therewith. The agreement further recites that it is for settlement purposes only and does not constitute an admission by the respondents that they have violated the law as alleged in the complaint.

The hearing examiner finds that the content of the agreement meets all of the requirements of Section 3.25(b) of the Rules of the Commission.