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## UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

#### **COMMISSIONERS:**

Edith Ramirez, Chairwoman Julie Brill Maureen K. Ohlhausen Joshua D. Wright

In the Matter of

THE NEIMAN MARCUS GROUP, INC., a corporation.

DOCKET NO. C-4407

### **COMPLAINT**

Pursuant to the provisions of the Federal Trade Commission Act, as amended, 15 U.S.C. ' 41 *et seq.*, and by virtue of the authority vested in it by said Act, the Federal Trade Commission ("Commission"), having reason to believe that Neiman Marcus Group, Inc. ("Neiman Marcus" or "respondent") has violated the provisions of the Federal Trade Commission Act, 15 U.S.C. ' 41 *et seq.*, the Fur Products Labeling Act, 15 U.S.C. ' 69 *et seq.*, and the Rules and Regulations Under the Fur Products Labeling Act, 16 C.F.R. Part 301, and it appearing to the Commission that this proceeding is in the public interest, alleges:

- 1. Respondent is a Delaware corporation with its principal office or place of business at 1618 Main St., Dallas, TX 75201.
- 2. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as commerce is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. ' 44, and Section 2(j) of the Fur Products Labeling Act, 15 U.S.C. ' 69(j).

- Respondent has advertised, offered for sale, sold, and distributed fur products, as that term is defined in Section 2(d) of the Fur Products Labeling Act, 15 U.S.C. ' 69(d). Respondent advertises and offers fur products for sale through the Internet sites www.neimanmarcus.com and www.bergdorfgoodman.com.
- 4. In May 2009, Commission staff closed an investigation into whether respondent Neiman Marcus had falsely advertised coats as having faux fur that in fact contained real fur. In closing the investigation, staff relied in part on respondent's assurances that it had reached an agreement with a third-party vendor to label products as containing either real fur or other material.

# CONDUCT

5. From approximately October 5, 2009, until approximately November 16, 2012, respondent disseminated, or caused to be disseminated, advertisements for fur products, including, but not limited to, a Burberry Outerwear Jacket (AOuterwear Jacket @, a Stuart Weitzman Ballerina Flat (ABallerina Flat @, and an Alice + Olivia Kyah Faux-Fur Collar Coat (AKyah Coat @)

# **Outerwear Jacket False Advertising**

6. From approximately October 5, 2009, until October 30, 2009, respondent disseminated, or caused to be disseminated, the advertis

A cute fur ornament decorates the toe of

- 15. The Kyah Coat had an attached label disclosing that its collar was in fact "real fur."
- 16. From approximately August 9, 2012, until approximately November 16, 2012, respondent sold at least 19 Kyah Coats via its website for a total revenue of at least \$15,162.

### COUNT I

- 17. Through the means described in Paragraphs 6, 9, and 14, respondent represented, expressly or by implication, that the fur in the Outerwear Jacket, Ballerina Flat, and Kyah Coat was faux or fake. In truth and in fact, those products contained real fur. Therefore, the representations set forth in Paragraphs 6, 9, and 14 were false, deceptive, or misleading.
- 18. Through the means described in Paragraphs 10 and 11, respondent represented, expressly or by implication, that the fur in the Ballerina Flat was mink fur. In truth and in fact, the Ballerina Flat contained rabbit fur. Therefore, the representations set forth in Paragraphs 10 and 11 were false, deceptive, or misleading.
- 19. Respondent's practices, as alleged in this complaint, constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. ' 45(a), and false advertising in violation of Section 5(a)(5) of the Fur Products Labeling Act, 15 U.S.C. ' 69c(a)(5), and Sections 301.2(c) and 301.49 of the Rules and Regulations Under the nd Regulat9 Coat was

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Fur Products Labeling Act, 15 U.S.C. ' 69a(a) and 69a(c), the false advertising of fur products, within the meaning of the Fur Products Labeling Act and the Rules and Regulations Under Fur Products Labeling Act, is unlawful and an unfair and deceptive act or practice, in commerce, under the Federal Trade Commission Act, 15 U.S.C. ' 41, *et seq*.

**WHEREFORE, THE PREMISES CONSIDERED**, the Federal Trade Commission has caused this Complaint to be signed by its Secretary and its official seal to be hereto affixed, at Washington, D.C., this eighteenth day of July, 2013.

By the Commission.

Donald S. Clark Secretary

SEAL: