UNITED STATES OF AMERICA BEFORE THE FEDERAL TRADE COMMISSION

In the Matter of

CHAUCER ACCESSORIES, INC., a corporation, also d/b/a CHAUCER LEATHER CORP.;

BATES ACCESSORIES, INC., a corporation, also d/b/a THOMAS BATES, TB PHELPS, DAVID SPENCER SHOES, and CUSTOM BRAND FOOTWEAR;

BATES RETAIL GROUP, INC., a corporation; and

THOMAS P. BATES, individually and as an officer of CHAUCER ACCESSORIES, INC.; BATES ACCESSORIES, INC.; and BATES RETAIL GROUP, INC.

FILE NO. 2223163

AGREEMENT CONTAINING CONSENT ORDER

The Federal Trade Commission ("Commission") has conducted an investigation of certain acts and practices of Chaucer Accessories, Inc.; Bates Accessories, Inc.; Bates Retail Group, Inc.; and Thomas P. Bates, individually and as an officer of Chaucer Accessories, Inc.; Bates Accessories, Inc.; and Bates Retail Group, Inc. (collectively "Proposed Respondents"). The Commission's Bureau of Consumer Protection ("BCP") has prepared a draft of an administrative Complaint ("draft Complaint"). BCP and Proposed Respondents, individually or through their duly authorized officers enter into this Agreement Containing Consent Order ("Consent Agreement") to resolve the allegations in the attached draft Complaint through a proposed Decision and Order to present to the Commission, which is also attached and made a part of this Consent Agreement.

IT IS HEREBY AGREED by and between Proposed Respondents and BCP, that:

- 1. The Proposed Respondents are:
 - a. Proposed Respondent Chaucer Accessories, Inc. ("Chaucer"), also doing business as Chaucer Leather Corp., a Massachusetts corporation with its principal office or place of business at 143 Essex St., Haverhill, Massachusetts 01832.
 - b. Proposed Respondent Bates Accessories, Inc. ("Bates Accessories"), also doing business as Thomas Bates, TB Phelps, David Spencer Shoes, and Custom Brand

become final. See Rule 2.32(d). Proposed Respondents waive any rights they may have to any other manner of service. See Rule 4.4.

- 6. When final, the Decision and Order will have the same force and effect and may be altered, modified, or set aside in the same manner and within the same time provided by statute for other Commission orders.
- 7. The Complaint may be used in construing the terms of the Decision and Order. No agreement, understanding, representation, or interpretation not contained in the Decision and Order or in this Consent Agreement may be used to vary or contradict the terms of the Decision and Order.
- 8. Each Proposed Respondent agrees to comply with the terms of the proposed004 Tc Tw]45 (t)-2 (e)4 (r

CHAUCER/BATES

FEDERAL TRADE COMMISSION

Thomas P. Bates President and Owner Chaucer Accessories, Inc. Bates Accessories, Inc. Bates Retail Group, Inc.	Julia Solomon Ensor Attorney Division of Enforcement Bureau of Consumer Protection
Date:	
	APPROVED:
THOMAS P. BATES	Laura Koss Assistant Director Division of Enforcement Bureau of Consumer Protection
Thomas P. Bates Individually and as an Officer of Chaucer Accessories, Inc. Bates Accessories, Inc. Bates Retail Group, Inc.	James A. Kohm Associate Director Division of Enforcement Bureau of Consumer Protection
Date:	
Barry M. Benjamin Kilpatrick Townsend & Stockton LLP Attorney for Proposed Respondents	Samuel Levine Director Bureau of Consumer Protection
Date:	Date:

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COMMISSIONERS:	Lina M. Khan, Chair Rebecca Kelly Slaughter Alvaro M. Bedoya

The Commission considered the matter and determined that it had reason to believe that Respondents have violated the Federal Trade Commission Act, and that a Complaint should issue stating its charges in that respect. The Commission accepted the executed Consent Agreement and placed it on the public record for a period of 30 days for the receipt and consideration of public comments. The Commission duly considered any comments received from interested persons pursuant to Section 2.34 of its Rules, 16 C.F.R. § 2.34. No.34. No.34. N2(a)m in

- 1. In any communication that is solely visual or solely audible, the disclosure must be made through the same means through which the communication is presented. In any communication made through both visual and audible means, such as a television advertisement, the disclosure must be presented simultaneously in both the visual and audible portions of the communication even if the representation requiring the disclosure ("triggering representation") is made through only one means.
- 2. A visual disclosure, by its size, contrast, location, the length of time it appears, and other characteristics, must stand out from any accompanying text or other visual elements so that it is easily noticed, read, and understood.
- 3. An audible disclosure, including by telephone or streaming video, must be delivered in a volume, speed, and cadence sufficient for ordinary consumers to easily hear and understand it.
- 4. In any communication using an interactive electronic medium, such as the Internet or software, the disclosure must be unavoidable.
- 5. On a product label, the disclosure must be presented on the principal display panel.
- 6. The disclosure must use diction and syntax understandable to ordinary consumers and must appear in each language in which the triggering representation appears.
- 7. The disclosure must comply with these requirements in each medium through which it is received, including all electronic devices and face-to-face communications.
- 8. The disclosure must not be contradicted or mitigated by, or inconsistent with, anything else in the communication.
- 9. When the representation or sales practice targets a specific audience, such as children, the elderly, or the

redress and any attendant expenses for the administration of any redress fund. If a representative of the Commission decides that direct redress to consumers is wholly or partially impracticable or money remains after redress is completed, the Commission may apply any remaining money for such other relief (including consumer information remedies) as it determines to be reasonably related to Respondents' practices alleged in the Complaint. Any money not used is to be deposited to the U.S. Treasury. Respondents have no right to challenge any activities pursuant to this Provision.

- E. In the event of default on any obligation to make payment under this Order, interest, computed as if pursuant to 28 U.S.C. § 1961(a), shall accrue from the date of default to the date of payment. In the event such default continues for 10 days beyond the date that payment is due, the entire amount will immediately become due and payable.
- F. Each day of nonpayment is a violation through continuing failure to obey or neglect to obey a final order of the Commission and thus will be deemed a separate offense and violation for which a civil penalty shall accrue.
- G. Respondents acknowledge that their Taxpayer Identification Numbers (Social Security or Employer Identification Numbers), which Respondents must submit to the Commission, may be used for collecting and reporting on any Rcolhe /qut iount obey

IX. Compliance Reports and Notices

IT IS FURTHER ORDERED that Respondents make timely submissions to the Commission:

- A. One year after the issuance date of this Order, each Respondent must submit a compliance report, sworn under penalty of perjury, in which:
 - 1. Each Respondent must: (a) identify the primary physical, postal, and email address and telephone number, as designated points of contact, which representatives of the Commission, may use to communicate with Respondent; (b) identify all of that Respondent's businesses by all of their names, telephone numbers, and physical, postal, email, and Internet addresses; (c) describe the activities of each business, including the goods and services offered, the means of advertising, marketing, and sales, and the involvement of any other Respondent (which Individual Respondent must describe if he knows or should know due to his own involvement); (d) describe in detail whether and how that Respondent is in compliance with each Provision of this Order, including a discussion of all of the changes the Respondent made to comply with the Order; and (e) provide a copy of each Acknowledgment of the Order obtained pursuant to this Order, unless previously submitted to the Commission.
 - 2. Additionally, Individual Respondent must: (a) identify all his telephone numbers and all his physical, postal, email and Internet addresses, including all residences; (b) identify all his business activities, including any business for which such Respondent performs services whether as an employee or otherwise and any entity in which such Respondent has any ownership interest; and (c) describe in detail such Respondent's involvement in each such business activity, including title, role, responsibilities, participation, authority, control, and any ownership.
- B. Each Respondent must submit a compliance notice, sworn under penalty of perjury, within 14 days of any change in the following:
 - 1. Each Respondent must submit notice of any change in: (a) any designated point of contact; or (b) the structure of any Corporate Respondent or any entity that Respondent has any ownership interest in or controls directly or indirectly that

Respondent has direct or indirect control. For each such business activity, also identify its name, physical address, and any Internet address.

C. Each Respondent must submit notice of the filing of any bankruptcy petition, insolvency

complaint; and

C. This Order if such complaint is filed after the Order has terminated pursuant to this Provision.

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the Order, and the dismissal or ruling is either not

ATTACHMENT A: NOTICE TO CUSTOMERS

The notification email must be in the following form, from an authorized Chaucer Accessories, Inc., Bates Accessories, Inc., or Bates Retail Group, Inc. email address, as appropriate to the recipient, and contain a Chaucer Accessories, Inc., Bates Accessories, Inc., or Bates Retail Group, Inc. signature line with the sender's full contact information:

Subject: Settlement of FTC false advertising case

Dear < Name of customer >:

Our records show that you bought products advertised as Made in the USA, including belts, shoes, or other accessories, from one of these companies: Chaucer Accessories, Chaucer Leather, Bates Accessories, Thomas Bates, TB Phelps, David Spencer Shoes, Custom Brand Footwear, or Bates Retail Group. We're writing to tell you that the Federal Trade Commission, the nation's consumer protection agency, has sued us for making false claims.

To settle the FTC's lawsuit, we're contacting you to tell you that the products you bought were not all or virtually all Made in the USA. In fact, those products were imported.

If you have questions about this lawsuit, visit [get URL]. For more information about Made in USA advertising, visit https://www.ftc.gov/musa.

Sincerely,

[signature]