cluded in the overhaul must be replaced in order to repair the transmission;

13. Representing that any article of merchandise or service is guaranteed, unless all of the terms and conditions of the guarantee, the identity of the guarantor, and the manner in which the guarantor will in good faith perform thereunder are clearly and conspicuously disclosed, and, further, unless all such guarantees are in fact fully honored and all the terms thereof fulfilled;

14. Using the word "free" or any other word or words of similar import, as descriptive of an article of merchandise or service: *Provided, however*, That it shall be a defense in any enforcement proceeding hereunder for respondents to establish that in fact no charge of any kind, directly or indirectly, is made for such article of merchandise or service;

15. Using the terms "no money down," "E-Z Credit" or "easy credit," or any word or words of similar import, in connection with respondents' offer to sell any merchandise or services.

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 of their compliance with this order.

Commissioner Nicholson not participating for the reason oral argument was heard prior to his appointment to the Commission.

IN THE MATTER OF

DIRECTIONAL CONTRACT FURNITURE CORP.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SECTION 2(a) OF THE CLAYTON ACT

*Docket 8741. Complaint, July 21, 1967—Decision, Feb. 23, 1968**

Consent order requiring a New York City wholesaler of furniture to cease discriminating in price among competing resellers of its furniture in violation of Section 2(a) of the Clayton Act, withholding date of compliance.

COMPLAINT

The Federal Trade Commission, having reason to believe that Directional Contract Furniture Corp., the party respondent named in the caption hereof and hereinafter more particularly designated and described, has violated and is now violating the provisions of subsection

*Order setting date of compliance dated Dec. 8, 1969.

(a) of Section 2 of the Clayton Act (U.S.C., Title 15, Section 13) as amended by the Robinson-Patman Act, approved June 19, 1936, hereby issues its complaint, stating its charges with respect thereto as follows:

PARAGRAPH 1. Respondent Directional Contract Furniture Corp. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 979 Third Avenue, New York, New York.

PAR. 2. Respondent is now, and for many years last past has been, engaged in the sale and distribution of furniture and furniture products. These products are sold to a large number of customers located throughout the United States. Its sales of these products are substantial, amounting to about $1.3 million per annum.

PAR. 3. In the course and conduct of its business, respondent has engaged and is now engaged in commerce, as "commerce" is defined in the Clayton Act. Respondent employs interstate means of communication with its customers in the consummation of sales and in the settling of accounts. Respondent ships, or causes to be shipped, its products from the States in which said products are manufactured to it customers, or to purchasers from its customers, located in other States of the United States and the District of Columbia. Thus, there is and has been, at all times mentioned herein, a continuous course of trade in commerce in said products across State lines between respondent and its customers.

PAR. 4. In the course and conduct of its business in commerce, respondent has been and now is discriminating in price, directly or indirectly, between different purchasers of its furniture and furniture products of like grade and quality by selling said products at higher prices to some purchasers than it sells said products to other purchasers, many of whom have been and now are in competition with the purchasers paying the higher prices.

PAR. 5. Included among, but not limited to, the aforesaid discriminations in price as above alleged, are the following:

For several years last past respondent has priced its line of products in terms of list prices. One class of respondent's customers purchases at said list prices less a discount of 40 percent while other classes of customers purchase at list prices less discounts ranging up to 50 + 10 percent. Various members of each class of customers compete with each other and with various members of each of the other classes.

PAR. 6. The effect of respondent's discriminations in price as alleged herein has been or may be substantially to lessen competition or tend

to create a monopoly in the line of commerce in which respondent's customers are engaged, or to injure, destroy, or prevent competition with purchasers from respondent who receive the benefit of such discriminations.

PAR. 7. The aforesaid acts and practices constitute violations of the provisions of subsection (a) of Section 2 of the Clayton Act (U.S.C. Title 15, Section 13) as amended by the Robinson-Patman Act, approved June 19, 1936.

DECISION AND ORDER

The Commission having issued its complaint in this proceeding on July 28, 1967 charging the respondent named in the caption hereof with violation of Section 2(a) of the Clayton Act, as amended, and said respondent having been served with a copy of that complaint; and

The respondent having thereafter filed a request pursuant to § 2.34(d) of the Rules to have the matter withdrawn from adjudication and the Commission having granted that request by its order dated November 17, 1967, subject to the withdrawal by respondent of its answer to the complaint and which answer was thereafter withdrawn by the respondent; and

The respondent and counsel for the Commission having executed an agreement containing an admission by respondent of all the jurisdictional facts set forth in the said complaint which had been issued, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in said complaint, and waivers and other provisions as required by the Commission's Rules, and which agreement further provides that the order contained therein shall become final, within the meaning of the Clayton Act, as amended, on the date of final disposition of the proceedings *In the Matter of Knoll Associates, Inc.*, Docket No. 8549 [397 F. 2d 530 (1968)], now pending on petition for review before the United States Court of Appeals for the Seventh Circuit; and

The Commission having considered the agreement and having accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of 30 days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Directional Contract Furniture Corp. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its principal office and place of business located at 979 Third Avenue, in the city of New York, State of New York.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent.

ORDER

It is ordered, That respondent Directional Contract Furniture Corp., a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in, or in connection with, the offering for sale, sale, or distribution of furniture and furniture products in commerce, as "commerce" is defined in the Clayton Act as amended, do forthwith cease and desist from:

Discriminating, directly or indirectly, in the price of such products of like grade and quality by selling to any purchaser at net prices higher than the net prices charged any other purchaser who in fact competes with the purchaser paying the higher price.

IN THE MATTER OF

BROWN & WILLIAMSON TOBACCO CORPORATION ET AL.

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

Docket 7688. Complaint, Dec. 11, 1959—Decision, Feb. 26, 1968

Order modifying a consent order dated Feb. 24, 1960, 56 F.T.C. 956, permitting a Louisville, Ky., tobacco company and its New York City advertising agency to compare the tar and nicotine content of its filter cigarettes, based on government findings, with such content of other filter cigarettes.

ORDER MODIFYING ORDER TO CEASE AND DESIST

On September 28, 1967, respondents, Brown & Williamson Tobacco Corporation and Ted Bates & Company, Inc., filed a petition to reopen the proceeding for the purpose of modifying the order to cease and desist entered by the Commission on February 24, 1960 [56 F.T.C. 956]. They proposed that Paragraph 3 of the order be modified so as to permit representations of government findings concerning the tar and nicotine content of Brown & Williamson's filter cigarettes as compared

with the smoke of other filter cigarettes. Complaint counsel filed an answer not opposing the petition.

On December 1, 1967 [72 F.T.C. 1026], the Commission issued an order reopening the proceeding and directing respondents to show cause why Paragraph 3 of the order to cease and desist should not be modified in the manner set out therein.

On December 29, 1967, respondents submitted a statement in which they opposed the modification set out in the Commission's show cause order, and supported the modification proposed in their petition, to which complaint counsel had not objected.

Upon further consideration, the Commission has concluded that the order should be modified in the manner proposed by respondents in their petition filed on September 28, 1967, which is not opposed by complaint counsel. Accordingly,

It is ordered, That Paragraph 3 of the order to cease and desist heretofore entered in this proceeding be, and it hereby is, modified to read as follows:

> "3. Representing, directly or by implication, that the United States Government, or any agency thereof, has found that the smoke of Life Cigarettes, or any other filter cigarette, is lower in tar or nicotine content when compared with the smoke of other filter cigarettes, unless such Government or agency thereof in fact has so found."

IN THE MATTER OF

GREAT SOUTHWESTERN LAND COMPANY, INC., ET AL.

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

Docket 8562. Complaint, Mar. 15, 1963—Decision, Feb. 26, 1968

Order dismissing a complaint which charged an Albuquerque, New Mexico, land development company with selling land through misrepresentation.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Great Southwestern Land Company, Inc., a corporation, and Robert N. Golubin and Lyn Allen, individually and as officers of the said corporation, hereinafter

referred to as respondents, have 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 Great Southwestern Land Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Mexico, with its principal office and place of business located at Suite 720, First National Bank Building, Albuquerque, New Mexico.

Respondents Robert N. Golubin and Lyn Allen are officers of the corporate respondent. They formulate, direct and control the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. Their 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 advertising, offering for sale and sale of parcels of real estate located in two separate areas of Taos County in the State of New Mexico to the public in various parts of the United States by means of the United States mails and through agents and sales representatives. The two areas are known as Carson Estates and Tres Piedras Estates.

PAR. 3. Respondents, in conducting the business aforesaid, have sent and transmitted, and have caused to be sent and transmitted, contracts, deeds, checks and other papers and documents of a commercial nature from their place of business in the State of New Mexico to purchasers and prospective purchasers located in various States other than the State of New Mexico, and have thus engaged in extensive commercial intercourse, in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Respondents, for the purpose of inducing the purchase of said parcels of real estate, have maintained exhibits at trade fairs held in various parts of the United States at which members of the public have been invited to fill out a registration form with the representation that they may win a free lot of land. All persons filling out said forms subsequently receive by mail a notice, and advertising material, indicating that they have been awarded a ¼ acre lot free, the only obligation being to pay so-called "closing costs."

Persons responding to the above offer then receive a deed to a ¼ acre lot, together with further advertising, or a call by a salesman, urging them to buy an additional lot of the same size at a higher price. Among and typical, but not all inclusive, of the statements appearing in said advertising and promotional material are the following:

Register for Free Land.

You have been awarded a ¼ acre building lot * * * in our new resort area subdivision, Carson Estates, Taos County, New Mexico * * *. We have chosen this method of good will advertising * * *. This is a free lot * * *. Your only expense is * * * closing cost of $49.30 * * *. You may claim your award by enclosing check * * * with the accompanying Land Award Certificate * * *.

Invigorating mountain air * * * abundant forests, trout streams, crystal lakes, ski areas, hunting grounds, cultural centers * * * all are within easy reach of Carson Estates * * * fishing just minutes away * * * hunting within walking distance * * * skiing but a few miles away.

Every ranchette * * * fronts on a graded road * * * readily accessible * * *. The gently rolling terrain of Carson Estates is covered with verdant growth * * *.

Dollar value for penny prices * * * specially limited number of ¼ acre resort ranchettes only $495 * * * closing costs of $49.30 are paid but once.

Telephone and electricity run parallel with Highway 111 and will be brought onto the individual's property as he builds * * * water is obtained by private well * * * it is our understanding that water can be obtained at approximately 75 feet * * * heating is obtained by use of butane, fuel oil, electricity or wood * * *.

Essentially the same statements have been made for the area known as Tres Piedras Estates.

PAR. 5. By and through the use of the above quoted statements and others of similar import not specifically set out herein, and by the use of pictures and photographs and statements made by respondents' salesmen, respondents have represented that:

1. Persons filling out the registration forms may win a free lot of land and that such persons have been awarded a ¼ acre lot as part of an advertising plan, the only expense required being the payment of closing costs of $49.30.

2. The land offered for sale is located within close proximity to forests, fishing streams, lakes, ski areas, hunting grounds and cultural centers.

3. Each lot of said land fronts on a graded road and is readily accessible from an established highway.

4. Said land is covered with verdant growth and every part of said land is suitable as a homesite.

5. Said land offers value greatly in excess of the price asked and that the lots available at the price of $495 are limited in number.

6. Telephone service and electricity are readily available to purchasers of said land and will be brought to the purchaser's property when he builds thereon.

7. Water is available by private well at an approximate depth of 75 feet and that butane gas, fuel oil, and electricity are available for heating.

PAR. 6. In truth and in fact:

1. None of the persons filling out the registration forms win or receive a free lot of land. Every person who fills out said form is offered a lot of land upon payment of $49.30 which is not for closing costs but is the price of said lot.

2. Said land is not located within close proximity to forests, fishing streams, lakes, ski areas, hunting grounds or cultural centers.

3. All lots of said land do not front on a graded road and are not readily accesible from an established highway.

4. Said land is not covered with verdant growth nor is every part of said land suitable as a homesite.

5. Said land does not offer value greatly in excess of the price asked and the lots available at the price of $495 are not limited in number.

6. Telephone service and electricity are not readily available to purchasers of said land and there is no assurance that said utilities will be brought to the purchaser's property when he builds thereon.

7. Water is not available by private well at a depth of approximately 75 feet. In fact, it is necessary to drill to a depth of several hundred feet to obtain water. Butane gas, fuel oil or electricity are not available for heating.

Therefore, the statements and representations set forth in Paragraphs Four and Five hereof were and are false, misleading and deceptive.

PAR. 7. At all times herein mentioned respondents have been, and are, in substantial competition in commerce, with corporations, firms and individuals in the sale of products of the same general kind and nature as those sold by respondents.

PAR. 8. The use by respondents of the aforementioned false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that such statements were, and are, true, and into the purchase of substantial quantities of respondents' products because of said mistaken and erroneous belief.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of Section 5 of the Federal Trade Commission Act.

ORDER DISMISSING COMPLAINT

This matter is before the Commission upon the motion of complaint counsel, filed November 27, 1967, requesting the Commission to remove this proceeding from the suspense calendar and to dismiss the complaint on the ground that there is not sufficient public interest in the matter to warrant further proceedings; and

It appearing to the Commission that the complaint herein was issued March 15, 1963, and that the matter was placed on the suspense calendar May 31, 1963, until further order of the Commission since it appeared that the individual respondents named in the complaint were defendants in a criminal proceeding in the United States District Court for the District of New Mexico, charged with use of the mails to defraud on matters relating to those in this proceeding; and

The Commission having determined that because the evidence which covered a period prior to March 1963 is now old and stale the complaint should be dismissed:

It is ordered, That the complaint be, and it hereby is, dismissed without prejudice, however, to the right of the Commission to issue a new complaint or to take such further or other action against the respondents at any time in the future as may be warranted by the then existing circumstances.

IN THE MATTER OF

MAGELLAN CORPORATION ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACTS

Docket C-1300. Complaint, Feb. 26, 1968—Decision, Feb. 26, 1968

Consent order requiring a New York City firm of hosiery importers to cease misrepresenting the origin of its merchandise and misbranding its textle fiber products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Magellan Corporation, a corporation, and Jack R. Cooper, individually and as a former officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under

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 Magellan Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Jack R. Cooper formerly was an officer of the corporate respondent. During the time Jack R. Cooper was an officer of said firm, he formulated, directed and controlled the acts, practices and policies of said corporate respondent, including the acts and practices hereinafter set forth.

Respondents are hosiery importers with their former office and principal place of business located at 350 Fifth Avenue, New York, New York.

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, and the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, either in their original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products, were misbranded in that they were not stamped, tagged, labeled or otherwise identified as required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products with labels which failed to disclose the name of the country where imported products were processed or manufactured.

PAR. 4. Certain of said textile fiber products were misbranded by the respondents, in violation of the Textile Fiber Products Identification Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in that nonrequired information was set forth on labels in such a manner as to interfere with, minimize,

detract from, and conflict with information required by Section 4(b) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, in violation of Rule 16(c) of the aforesaid Rules and Regulations.

PAR. 5. The acts and practices of the respondents as set forth above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices in commerce, within the intent and meaning of the Federal Trade Commission Act.

PAR. 6. Respondents are now, and for some time last past have been engaged in the offering for sale, sale and distribution of products, namely ladies' hosiery to the public. The respondents' said business is that of importing ladies' hosiery from sources in Yugoslavia, and selling said hosiery to the public throughout the United States. The respondents maintain, and for all times mentioned herein have maintained a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 7. Certain of said ladies' hosiery offered for sale and sold by respondents bore labels and marks misrepresenting the country of origin of such products. Among such ladies' hosiery, but not limited thereto, were hosiery to which were affixed labels that stated "Made in Italy."

Through the aforesaid labels respondents represented, contrary to fact, that such products were of Italian origin.

PAR. 8. The acts and practices of the respondents set out above were and are, all to the prejudice and injury of the public and constituted, and now constitute, unfair and deceptive acts and practices in commerce in violation of Section 5 of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Textile Fiber Products Identification 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Magellan Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. Said firm was sold in November 1966.

Respondent Jack R. Cooper formerly was an officer of said corporation until November 1966 when said corporation was sold.

Respondents' former office and principal place of business was located at 350 Fifth 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 Magellan Corporation, a corporation, and its officers, and Jack R. Cooper, individually and formerly as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising, or offering for sale in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States of textile fiber products; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber products, which have been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, after shipment in commerce of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the

Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding textile fiber products by:

1. Failing to affix labels to such textile fiber products showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

2. Setting forth on labels nonrequired information that interferes with, minimizes, detracts from, or conflicts with the required information.

It is further ordered, That respondents Magellan Corporation, a corporation, and its officers, and Jack R. Cooper, individually and formerly as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of imported ladies' hosiery or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting on labels the name of the country where such hosiery or other products were processed or manufactured.

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.

IN THE MATTER OF

ASSOCIATED SALES AND BAG COMPANY

TRADING AS

ASSOCIATED BAG COMPANY ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACTS

Docket C-1301. Complaint, Feb. 27, 1968—Decision, Feb. 27, 1968

Consent order requiring a Milwaukee, Wis., corporation to cease misbranding its textile fiber products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Indentification Act, and by virtue of

the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Associated Sales and Bag Company, a corporation, trading as Associated Bag Company, and Philip Rubenstein, 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 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 Associated Sales and Bag Company, trading as Associated Bag Company, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Wisconsin.

Respondent Philip Rubenstein is an officer of said corporate respondent. He formulates, directs and controls the acts, practices and policies of said corporate respondent.

Respondents are engaged in the sale and distribution of textile fiber products, including textile stock, with their office and principal place of business located at 605 South First Street, Milwaukee, Wisconsin.

PAR. 2. Respondents, now and for some time last past, have been engaged in the introduction, delivery for introduction, manufacture for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, either in their original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products were misbranded by respondents within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder in that they were falsely and deceptively stamped, tagged, labeled, invoiced, advertised, or otherwise identified as to the name or amount of the constituent fibers contained therein.

Among such misbranded textile fiber products, but not limited thereto, was textile fiber stock represented by respondents to be Acrylic

and Modacrylic whereas, in truth and in fact, such textile stock contained substantially different amounts of fibers than as represented.

PAR. 4. Certain of said textile fiber products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified to show each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among such textile fiber products, but not limited thereto, was textile stock without fiber content labels.

PAR. 5. The acts and practices of respondents as set forth above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts or practices, 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Textile Fiber Products Identification 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Associated Sales and Bag Company, trading as Associated Bag Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Wisconsin, with its office and principal place of business located at 605 South First Street, Milwaukee, Wisconsin.

Respondent Philip Rubenstein is an officer of said corporation and his address is the same as that of said corporation.

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 Associated Sales and Bag Company, a corporation, trading as Associated Bag Company, or under any other name, and its officers, and Philip Rubenstein, individually and as an officer of said corporation, and respondents' representative, agents and employes, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported in commerce, of any textile fiber product whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from misbranding textile fiber products by:

1. Falsely or deceptively stamping, tagging, labeling, invoicing, advertising, or otherwise identifying such products as to the name or amount of the constituent fibers contained therein.

2. Failing to affix a stamp, tag, label, or other means of identification to each such product showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

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.

IN THE MATTER OF

"M. G. II" INC., ET AL.

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

Docket C-1302. Complaint, Feb. 29, 1968—Decision, Feb. 29, 1968

Consent order requiring a New York City manufacturer of ladies' rainwear and car coats to cease misbranding its wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 "M. G. II" Inc., a corporation, and Melvin Golden, individually and as an officer of said corporation, hereinafter referred to as proposed respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act of 1939, 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 "M. G. II" Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Individual respondent Melvin Golden is an officer of the corporate respondent. He formulates, directs and controls the acts, practices and policies of said corporate respondent, including the acts and practices hereinafter referred to.

Respondents are engaged in the manufacture of ladies' rainwear and car coats, which items are distributed to retailers and jobbers located throughout the United States. Their office and principal place of business is located at 252 West 37th Street, New York, New York.

PAR. 2. Respondents now, and for some time last past, have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped, and offered for sale in commerce, as "commerce" is defined in said Wool Products Labeling Act of 1939, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a) (1) of the

Wool Products Labeling Act of 1939, and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were ladies' car coats stamped, tagged, labeled, or otherwise identified by respondents as "85% Reprocessed Wool, 15% Nylon," whereas, in truth and in fact, said products contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, was a wool product, *viz*, a ladies' car coat, with a label on or affixed thereto which failed to disclose the percentage of the total fiber weight of the said wool product, exclusive of ornamentation not exceeding 5 per centum of the total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool present in the wool product when said percentage by weight of such fiber was 5 per centum or more; and (5) the aggregate of all other fibers.

PAR. 5. The acts and practices of the respondents as set forth above, were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce, within the intent and meaning of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939; 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 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent "M. G. II" Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 252 West 37th Street, New York, New York.

Respondent Melvin Golden is an officer of said corporation and his address is the same as that of said corporation.

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 "M. G. II" Inc., a corporation, and its officers, and Melvin Golden, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the manufacture for introduction into commerce, the introduction into commerce, or the offering for sale, sale, transporation, distribution, delivery for shipment or shipment in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding wool products by:

1. Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of constituent fibers contained therein.

2. Failing to securely affix to, or place on, each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

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.

IN THE MATTER OF

RELIABLE WOOL STOCK CORP. ET. AL.

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

Docket C-1303. Complaint, Mar. 4, 1968—Decision, Mar. 4, 1968

Consent order requiring a New York City distributor of raw wool stock to cease misbranding its wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 Reliable Wool Stock Corp. a corporation, and Jack Goldstein and Leon Karson, individually and as officers 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 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 Reliable Wool Stock Corp. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Individual respondents Jack Goldstein and Leon Karson are officers of said corporation. They formulate, direct and control the acts, practices and policies of the corporate respondent including the acts and practices hereinafter referred to.

Respondents are engaged in purchasing and selling wool stock in the form of bales of woolen clips, to quilters and lining manufacturers in New York and out of state. Their office and principal place of business is located at 117-119 Mercer Street, New York, New York.

PAR. 2. Respondents, now and for some time last past, have introduced into commerce, sold, transported, distributed, delivered for

shipment, shipped, and offered for sale, in commerce, as "commerce" is defined in said Wool Products Labeling Act of 1939, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a)(1) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were woolen clips stamped, tagged, labeled, or otherwise identified as containing 100% wool whereas in truth and in fact, such fabrics contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labled, or otherwise identified as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, were woolen clips with labels on or affixed thereto, which failed to disclose the percentage of the total fiber weight of the said wool product, exclusive of ornamentation not exceeding five per centum of said total fiber weight of (1) wool fibers; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool when said percentage by weight of such fiber was five per centum or more; and (5) the aggregate of all other fibers.

PAR. 5. The acts and practices of the respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices in commerce, within the intent and meaning of the Federal Trade Commission Act.

PAR. 6. Respondents are now, and for some time last past, have been engaged in the offering for sale, sale, and distribution of certain products, namely woolen clips. In the course and conduct of their business as aforesaid, respondents now cause and for some time last past, have caused their said products, when sold, to be shipped from their place of business in the State of New York to purchasers located in various other States of the United States, and maintain and at all times

mentioned herein have maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 7. Respondents in the course and conduct of their business have made statements on invoices to their customers, misrepresenting the fiber content of certain of their products.

Among such misrepresentations, but not limited thereto, were statements setting forth the fiber content thereof as "100% Reprocessed Wool," whereas, in truth and in fact, the product was not "100% Reprocessed Wool" but contained substantially different fibers and amounts of fibers than represented.

PAR. 8. The acts and practices set out in Paragraph Seven have the tendency and capacity to mislead and deceive the purchasers of said products as to the true content thereof.

PAR. 9. The aforesaid acts and practices of respondents, as herein alleged were, and are, all to the prejudice and injury of the public, and constituted, and now constitute, unfair and deceptive acts and practices in commerce, within the intent and meaning of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939; 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Reliable Wool Stock Corp. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 117–119 Mercer Street, New York, New York.

Respondents Jack Goldstein and Leon Karson are officers of said corporation and their address is the same as that of said corporation.

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 Reliable Wool Stock Corp., a corporation, and its officers, and Jack Goldstein and Leon Karson, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the manufacture for introduction into commerce, introduction into commerce, or offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding wool products by:

1. Falsely and deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to or place on, each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner, each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Reliable Wool Stock Corp., a corporation, and its officers, and Jack Goldstein and Leon Karson, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of woolen clips or other products, in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of constituent

fibers contained in such products on invoices or shipping memoranda applicable thereto, or in any other manner.

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.

IN THE MATTER OF

SMARTSHIRE COAT, 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-1304. Complaint, Mar. 4, 1968—Decision, Mar. 4, 1968

Consent order requiring a New York City manufacturing furrier to cease misbranding and falsely invoicing its fur products.

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 Smartshire Coat, Inc., a corporation, and Julius Weinberg and Samuel Plotkin, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of 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 Smartshire Coat, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondents Julius Weinberg and Samuel Plotkin are officers of the corporate respondent. They formulate, direct and control the acts, practices and policies of the said corporate respondent including those hereinafter set forth.

Respondents are manufacturers of fur products with their office and principal place of business located at 265 West 37th Street, 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 manufacture for 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 manufactured for sale, 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, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were falsely and deceptively labeled to show that fur contained therein was natural, when in fact such fur was pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products, but not limited thereto, were fur products with labels which failed to disclose that the fur contained in the fur products was bleached, dyed, tip-dyed, or otherwise artificially colored, when such was the fact.

PAR. 5. Certain of said fur products 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, but not limited thereto, were fur products covered by invoices which failed to show the true animal name of the furs used in any such fur product.

PAR. 6. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

1. The term "natural" was not used on invoices to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

2. Required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 7. 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation 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 provisisons 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Smartshire Coat, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 265 West 37th Street, New York, New York.

Respondents Julius Weinberg and Samuel Plotkin are officers of said corporation and their address is the same as that of said corporation.

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.

It is ordered, That respondents Smartshire Coat, Inc., a corporation, and its officers, and Julius Weinberg and Samuel Plotkin, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate 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, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Representing, directly or by implication, on a label that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

2. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

B. Falsely or deceptively invoicing any fur product 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 each of the subsections of Section 5(b) (1) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and Rules and Regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on an invoice the item number or mark assigned to such fur product.

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

IN THE MATTER OF

CARPET YARN MILLS, INC., ET AL.

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

Docket C-1305. Complaint, Mar. 4, 1968—Decision, Mar. 4, 1968

Consent order requiring a Dallas, Ga., spinning mill to cease misbranding its wool and textile fiber products and failing to maintain proper fiber content records.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Carpet Yarn Mills, Inc., a corporation, and Lee B. Womelsdorf, Ivan A. Millender and Sam Millender, individually and as officers 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 Carpet Yarn Mills, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia.

Individual respondents Lee B. Womelsdorf, Ivan A. Millender and Sam Millender are president, vice president and secretary treasurer of said firm. They formulate, direct and control the acts, practices and policies of said corporation, including the acts and practices hereinafter referred to.

Respondents are engaged in the spinning of wool and textile products into carpet yarns. Said respondents are located at Dallas, Georgia. Proposed respondents' mailing address is Post Office Box 247, Dallas, Georgia.

PAR. 2. Respondents, now and for some time last past, have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped and offered for sale, in commerce, as "commerce" is defined in the Wool

Products Labeling Act of 1939, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a) (1) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, was carpet yarn stamped, tagged, labeled, or otherwise identified as containing ⅓ Wool, ⅓ Nylon, ⅓ Acrylic, whereas in truth and in fact, such yarn contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(a) (2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, were certain wool products namely carpet yarn without labels and with labels on or affixed thereto which failed to disclose the percentage of the total fiber weight of the wool products, exclusive of ornamentation not exceeding 5 per centum of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool, when such percentage by weight of such fiber was 5 percentage or more; and (5) the aggregate of all other fibers.

PAR. 5. The acts and practices of the respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce, within the intent and meaning of the Federal Trade Commission Act.

PAR. 6. Respondents are now, and for some time last past have been, engaged in the introduction, delivery for introduction, manufacture for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after

shipment in commerce, textile fiber products either in their original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 7. Certain of said textile fiber products were misbranded by the respondents within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, invoiced, advertised, or otherwise identified as to the name or amount of the constituent fibers contained therein.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products which were labeled to show the content as 100% Nylon whereas in truth and in fact, said products contained substantially different fibers and amounts of fibers than as represented.

PAR. 8. Certain of said textile fiber products were further misbranded in that they were not stamped, tagged, labeled or otherwise identified as required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products with labels which failed:

1. To disclose the true generic names of the fibers present; and
2. To disclose the percentage of such fibers by weight.

PAR. 9. Respondents have failed to maintain proper records showing the fiber content of the textile fiber products manufactured by them, in violation of Section 6(a) of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

PAR. 10. The acts and practices of the respondents as set forth above in Paragraphs Seven, Eight, and Nine were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts or practices, 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which,

if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Carpet Yarn Mills, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia, with its office and principal place of business located at Dallas, Georgia. Respondent's mailing address is Post Office Box 247, Dallas, Georgia.

Respondents Lee B. Womelsdorf, Ivan A. Millender and Sam Millender are officers of said corporation and their address is the same as that of said corporation.

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 Carpet Yarn Mills, Inc., a corporation, and its officers, and Lee B. Womelsdorf, Ivan A. Millender and Sam Millender, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product"

are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of constituent fibers contained therein.

2. Failing to securely affix to, or place on each such product a stamp, tag, label, or other means of identification showing in a clear and conspicious manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Carpet Yarn Mills, Inc., a corporation, and its officers, and Lee B. Womelsdorf, Ivan A. Millender and Sam Millender, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States of any textile fiber products; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product, which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, after shipment in commerce of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding textile fiber products by:

1. Falsely or deceptively stamping, tagging, labeling, invoicing, advertising, or otherwise identifying such products as to the name or amount of the constituent fibers contained therein.

2. Failing to affix a stamp, tag, label or other means of identification to each such product showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

B. Failing to maintain and preserve proper records showing the fiber content of textile fiber products manufactured by them, as required by Section 6(a) of the Textile Fiber Products Iden-

tification Act and Rule 39 of the Regulations promulgated thereunder.

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.

IN THE MATTER OF

PLAYTIME GIRL ORIGINALS, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACTS

Docket C-1306. Complaint, Mar. 4, 1968—Decision, Mar. 4, 1968

Consent order requiring a New York City wholesaler of hosiery to cease misbranding and falsely guaranteeing its textile fiber products and misrepresenting imperfect hosiery as first or perfect quality.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Playtime Girl Originals, Inc., a corporation, and Albert Jemal, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of the said Acts and the Rules and Regulations promulgated under 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 Playtime Girl Originals, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 53 Chrystie Street, New York, New York.

Individual respondent Albert Jemal is an officer of the corporate respondent. He formulates, directs, and controls the acts, practices, and policies of the corporate respondent, including the acts and practices complained of herein. His business address is the same as said corporate respondent. Respondents are wholesalers of ladies' hosiery.

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, and in the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale, in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, either in their original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products were misbranded by respondents in that they were not stamped, tagged, labeled or otherwise identified as required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form as prescribed by the Rules and Regulations under said Act.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products, namely men's and children's hosiery, without labels and with labels which failed:

1. To disclose the constituent fiber or combination of fibers in the textile fiber product;

2. To disclose the percentage of each fiber present, by weight, in the total fiber content of the textile fiber product, exclusive of ornamentation not exceeding 5 per centum by weight of the total fiber content;

3. To disclose the name, or other identification issued and registered by the Commission, of the manufacturers of the product or one or more persons subject to Section 3 with respect to such product.

PAR. 4. Certain of said textile fiber products were misbranded in violation of the Textile Fiber Products Identification Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

1. All parts of the required information were not conspicuously and separately set out on the same side of the label in such a manner as to be clearly legible and readily accessible to the prospective purchaser, in violation of Rule 16(b) of the aforesaid Rules and Regulations.

2. Nonrequired information and representations were placed on the label or elsewhere on the product and were set forth in such a manner as to interfere with, minimize, detract from, and conflict with required information, in violation of Rule 16(c) of the aforesaid Rules and Regulations.

PAR. 5. The respondents furnished false guaranties that certain of their textile fiber products were not misbranded or falsely invoiced in violation of Section 10(b) of the Textile Fiber Products Identification Act.

PAR. 6. The acts and practices of respondents as set forth above were and are in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts or practices, in commerce, under the Federal Trade Commission Act.

PAR. 7. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products, including hosiery, when sold, to be shipped from their place of business in the State of New York to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 8. In the course and conduct of their business, respondents purchase hosiery which is imperfect. They cause such hosiery to be packaged in cellophane into selling units of several pairs to the cellophane package, and then sell such hosiery to retailers who in turn sell it to the purchasing public. Such hosiery products are known in the trade as "irregulars," "seconds," or "thirds," depending upon the nature of the imperfection.

PAR. 9. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of products of the same general kind as that sold by respondents.

PAR. 10. Respondents did not mark their said hosiery products in a clear, conspicuous manner to disclose that they were "irregulars" or "seconds," so as to inform purchasers thereof of their imperfect quality. The purchasing public in the absence of markings showing that hosiery products are "irregulars" or "seconds," understands and believes that they are of perfect quality. Respondents' failure to mark or label their products in such a manner as will disclose that said products are imperfect, has had, and now has, the capacity and tendency to mislead dealers and members of the purchasing public into the erroneous and mistaken belief that said products are perfect quality products, and into the purchase of substantial quantities of respondents' products by reason of said erroneous and mistaken belief.

Official notice is hereby taken of the fact that, in connection with the sale or offering for sale of imperfect hosiery, the failure to disclose on such hosiery products that they are "irregulars" or "seconds," as the case may be, is misleading, which official notice is based upon the Commission's accumulated knowledge and experience, as expressed in Rule 4 of the Commission's Amended Trade Practice Rules for the Hosiery Industry promulgated August 30, 1960 (amended June 10, 1964).

PAR. 11. Respondents in selling their hosiery as aforesaid have labeled certain of said packaged hosiery as "First Quality," thereby representing that said hosiery is of first quality. Respondents' practice of labeling their packaged hosiery as "First Quality" has had, and now has, the capacity and tendency to mislead dealers and members of the purchasing public into the erroneous and mistaken belief that said products are first quality products and into the purchase of substantial quantities of respondents' products by reason of said erroneous and mistaken belief.

PAR. 12. The aforesaid acts and practices of respondents, as herein alleged, were and are, all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair and deceptive acts and practices and unfair methods of competition, in commerce, within the intent and meaning of Section 5(a)(1) of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Textile Fiber Products Identification 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Playtime Girl Originals, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 53 Chrystie Street, New York, New York.

Respondent Albert Jemal is an officer of said corporation and his address is the same as that of said corporation.

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 Playtime Girl Originals, Inc., a corporation, and its officers, and Albert Jemal, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or in the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding textile fiber products by:

1. Failing to affix labels to such textile fiber products showing each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

2. Failing to set forth all parts of the required information conspicuously and separately on the same side of the label in such a manner as to be clearly legible and readily accessible to the prospective purchaser.

3. Setting forth nonrequired information or representations on a label or elsewhere on the product in such a manner as to minimize, detract from, or conflict with information required by said Act and the Rules and Regulations promulgated thereunder.

B. Furnishing false guaranties that textile fiber products are not misbranded or falsely invoiced under the provisions of the Textile Fiber Products Identification Act.

It is further ordered, That respondents Playtime Girl Originals, Inc., a corporation, and its officers, and Albert Jemal, individually and as an officer of said corporation, and respondents' agents, representatives and employees directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of hosiery, or other related "industry products," which are "irregulars," "seconds," or otherwise imperfect, as such terms are defined in Rule 4(c) of the Amended Trade Practice Rules for the Hosiery Industry (16 CFR 152.4(c)), in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

A. Selling or distributing hosiery products without clearly and conspicuously setting out, by transfer or other markings on each stocking, sock, or other unit, the words "irregulars" or "seconds," as the case may be, in such degree of permanency as to remain thereon until the consummation of the consumer sale and of such conspicuousness as to be easily observed and read by the purchasing public.

B. Using any advertisement or promotional material in connection with the offering for sale of any such product unless it is disclosed therein that such article is an "irregular" or "second," as the case may be.

C. Using the words "first quality" or words of similar import on the package in which such product is sold or in reference to any such product in any advertisement or promotional material.

D. Representing in any manner, directly or by implication, that such products are first quality or perfect quality.

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 compiled with this order.

IN THE MATTER OF

SELLERS BROS., INC., ET AL.

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

Docket C-1307. Complaint, Mar. 6, 1968—Decision, Mar. 6, 1968

Consent order requiring a Chicago, Ill., distributor of perfumes, colognes, and toilet preparations to cease misrepresenting the quality, identity and manufacture of its products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Sellers Bros., Inc., a corporation; also doing business as Renard, Dist. Renard Chicago, and as Mfr. Renard Chicago; and Bernard Temkin and Harry Temkin, individually and as officers of said corporation, hereinafter referred to as respondents, have 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 Sellers Bros., Inc., is a close corporation organized, existing, and doing business under and by virtue of the laws of the State of Illinois, with its principal office and place of business located at 1422 South Halsted Street, in the city of Chicago, State of Illinois.

Respondent Bernard Temkin and his uncle Harry Temkin are respectively president, and sales manager of the corporate respondent. They formulate, direct and control the acts and practices hereinafter set forth. Their 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 advertising, offering for sale, sale or distribution of perfumes to the general public, to peddlers, and to wholesalers, jobbers, distributors and retailers for resale to the public.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products, when sold, to be shipped from their place of business in the State of Illinois to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said products in

commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business in advertising, offering for sale, sale or distribution of their said products, respondents have engaged in the following practices:

(a) By using bottles, boxes and other containers on which various letters such as "A," "I," "J," "MS," "N," "S," "ST," "T," and "X" are imprinted or otherwise labeled; through the use of advertising circulars depicting their said products so labeled or imprinted; and through oral or written statements to wholesalers, distributors, jobbers, retailers and others, respondents have represented directly and indirectly (through their salesmen or otherwise), that said products so labeled or imprinted are, respectively the following well-known perfumes, or imitations or simulations thereof: "Arpege" perfume by Lanvin Parfums, Inc.; any of a number of well-known perfumes beginning with the letter I, as "Indiscrete" by Parfums Lucien Lelong Corporation, Inc., "Intimate" by Revlon, Inc.; or "Intoxication" by Parfums D'Orsay, Inc.: "Joy" perfume by Jean Patou, Inc.; "My Sin" perfume by Lanvin Parfums Inc., "Chanel" or "Chanel No. 5" perfume by Chanel Industries, Inc.; "Shalimar" perfume by Guerlain, Inc.; "Sortilege" perfume by Le Galion Parfums, Inc.; "Tabu" perfume by Dana Perfumes Corp.; and "X-Mas Night" ("La Nuit De Noel") perfume by Caron Corporation. In truth and in fact respondents' products are not any of the well-known perfumes mentioned and such use of initial letters and such unauthorized representations constitute unfair methods of competition and unfair and deceptive acts and practices in commerce.

(b) Through order-invoice forms printed with the statement "Sellers Bros. Manufacturers—Aerosol Perfume—Colognes—Toilet Preparations," and through using bottles, boxes and other containers labeled "perfume (specific name) Mfr. RENARD Chicago," respondents have represented that they, under their corporate and trade names, are manufacturers of the perfumes, colognes and toilet preparations which they sell and distribute. In truth and in fact respondents do not manufacture any perfumes, colognes or other toilet preparations.

Therefore, respondents' practices and representations described in Paragraph Four hereinabove, were and are, unfair, false, misleading and deceptive.

PAR. 5. By the aforesaid practices, respondents mislead and deceive the public as to the identity and manufacture of respondents' said products as well as the quality and quantity of said products and the containers therefor, and place in the hands of wholesalers, re-

tailers and others the means and instrumentalities by and through which they may likewise mislead and deceive the public.

PAR. 6. In the course and conduct of their business at all times mentioned herein, respondents have been in substantial competition, in commerce, with the companies named in Paragraph Four (a) hereinabove, and with corporations, firms and individuals in the sale of toilet preparations of the same general kind and nature as those sold by respondents.

PAR. 7. The use by respondents of the aforesaid unfair, false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true, and into the purchase of substantial quantities of respondents' products by reason of said erroneous and mistaken belief.

PAR. 8. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted and now constitute, unfair and deceptive acts and practices in commerce in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; 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 complaint to issue herein, 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 which agreement further provides, among other things, that issuance of the complaint aforesaid and entry of decision containing the order to cease and desist contemplated thereunder in disposition of this proceeding shall be stayed until issuance by the Commission of its decision in disposition of the proceedings *In The Matter of L'Argene Products Company, Inc., et al.*, Docket No. 8717,

which proceeding was then pending before the Commission on appeal by counsel supporting the complaint from the initial decision of the hearing examiner; and

The Commission having thereafter on January 5, 1968, issued its final order in disposition of the proceeding in Docket No. 8717 [p. 16] wherein the proscriptions of the order to cease and desist are identical to those contained in the above-mentioned initial decision, and the Commission having duly considered the aforesaid executed agreement and having accepted same and such agreement containing consent order having thereupon been placed on the public record for a period of thirty (30) days; and

It appearing that the provisions of the agreement are now met whereby the Commission may issue its complaint and enter its decision in disposition of this proceeding containing order to cease and desist in the form set forth in the aforesaid agreement, now in conformity with the procedure prescribed in its Rules, the Commission hereby issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings and enters the following order:

1. Respondent Sellers Bros., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois, with its office and principal place of business located at 1422 South Halsted Street, in the city of Chicago, State of Illinois.

Respondents Bernard Temkin and Harry Temkim are officers of said corporation and their address is the same as that of said corporation.

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 Sellers Bros., Inc., a corporation, and its officers, and Bernard Temkin and Harry Temkin, individually and as officers of said corporation, and respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of perfume or other toilet preparations, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the letters "A," "I," "J," "MS," "N," "S," "ST," "T," and "X," or any other letters, numerals, or symbols, either singly or in combination, in the advertising or labeling of said perfumes, toilet waters or cosmetics, to designate or describe the kind or

quality thereof without clearly and conspicuously revealing in immediate connection therewith the actual trade name of the manufacturer, compounder or distributor of said products.

2. Representing, directly or by implication that any of respondents' toilet preparations is, or is the same as, or a copy, or reproduction, or chemical reproduction of, products sold under the brand names "Arpege" or "My Sin" by Lanvin Parfums, Inc.; "Indiscrete" by Parfums Lucien Lelong Corporation, Inc.; "Chanel" or "Chanel No. 5" by Chanel Industries, Inc.; "Shalimar" by Guerlain, Inc.; "Tabu" by Dana Perfumes Corporation; "Intimate" by Revlon, Inc.; "Joy" by Jean Patou, Inc.; "Intoxication" by Parfums D'Orsay, Inc.; "La Nuit De Noel" ("X-Mas Night") by Caron Corporation; or any other well-known or nationally advertised perfume or other toilet preparation.

3. Representing, directly or by implication, under their corporate name or trade name, that they are manufacturers of perfumes, colognes or other toilet preparations.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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.

IN THE MATTER OF

YALE TROUSER CORPORATION ET AL.

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

Docket C-1308. Complaint, Mar. 11, 1968—Decision, Mar. 11, 1968

Consent order requiring a New York City manufacturer of men's slacks to cease misbranding its wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 Yale Trouser Corporation, a corporation, and Sol Bloom and Elliot Alper, individually and as officers of said corporation, here-

inafter 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 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 Yale Trouser Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Individual respondents Sol Bloom and Elliot Alper are officers of the corporate respondent. They formulate, direct and control the acts, practices and policies of said corporation, including the acts and practices hereinafter referred to.

The respondents are engaged in the manufacturing of men's slacks with their office and principal place of business located at 79 Fifth Avenue, New York, New York.

PAR. 2. Respondents, now and for some time last past, have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped and offered for sale, in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, wool products as "wool products" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a)(1) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were men's slacks stamped, tagged, labeled or otherwise identified as containing 50% wool, 50% mohair whereas in truth and in fact, such men's slacks contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, were certain wool products, namely men's slacks, with labels on or affixed thereto, which failed to disclose the percentage of the total fiber weight

of the wool products, exclusive of ornamentation not exceeding 5 per centum of said total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool, when said percentage by weight of such fiber was 5 per centum or more; and (5) the aggregate of all other fibers.

PAR. 5. Certain of said wool products were misbranded in violation of the Wool Products Labeling Act of 1939 in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

A. The term "Mohair" was used in lieu of the word "Wool" in setting forth the required fiber content information on labels affixed to wool products when certain of the fibers described as "Mohair" were not entitled to such designation, in violation of Rule 19 of the said Rules and Regulations.

B. Representations were made on a stamp, tag, label, or other means of identification attached to a wool product that the fabric contained therein was imported, without stating the name of the country where the fabric was woven, knitted, felted, bonded, or otherwise manufactured in violation of Rule 25(c) of the aforesaid Rules and Regluations.

PAR. 6. The acts and practices of the respondents as set forth above, were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce, within the intent and meaning of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939; 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Yale Trouser Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 79 Fifth Avenue, New York, New York.

Respondents Sol Bloom and Elliot Alper are officers of said corporation and their address is the same as that of said corporation.

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 Yale Trouser Corporation, a corporation, and its officers, and Sol Bloom and Elliot Alper, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the offering for sale, sale, transporation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to, or place on, each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

3. Affixing thereto labels whereon the term "Mohair" is used in lieu of the word "Wool," in setting forth the required informa-

tion, unless the percentage of fibers designated as "Mohair" are entitled to that designation and are present in at least the amount stated.

4. Representing on a stamp, tag, label, or other means of identification on or attached to a wool product, that the fabric contained therein was imported without setting forth the country where said fabric was woven, knitted, felted, bonded, or otherwise manufactured.

It is further ordered, That the respondents shall forthwith distribute a copy of this Order to all operating divisions of the corporate respondents.

It is further ordered, That the respondents herein shall, within sixty (60) day 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.

IN THE MATTER OF

H. APPEL & SONS, 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-1309. Complaint, Mar. 12, 1968—Decision, Mar. 12, 1968

Consent order requiring a New York City wholesale and retail furrier to cease misbranding, deceptively advertising and falsely guaranteeing its fur products.

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 H. Appel & Sons, Inc., a corporation, and Paul Toporoff, 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 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 H. Appel & Sons, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Paul Toporoff is an officer of the corporate respondent. He formulates, directs and controls the policies, acts and practices of said corporation including those hereinafter set forth.

Respondents are wholesalers and retailers of fur products with their office and principal place of business located at 116 West 29th Street, 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, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were falsely and deceptively labeled or otherwise falsely or deceptively identified with respect to the name or designation of the animal or animals that produced the fur from which the said fur products had been manufactured, in violation of Section 4(1) of the Fur Products Labeling Act.

Among such misbranded fur products, but not limited thereto, were fur products which were labeled as "Opossum" when fur contained in such fur products was, in fact, "Australian Opossum."

Also among such misbranded fur products, but not limited thereto, were fur products labeled as "Broadtail" thereby implying that the furs contained therein were entitled to the designation "Broadtail Lamb," when in truth and in fact, the furs contained therein were not entitled to such designation.

PAR. 4. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products, but not limited thereto, were fur products with labels which failed:

1. To show the true animal name of the fur used in such fur products.

2. To disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.

3. To show that the fur products were composed in whole or in substantial part of paws, tails, bellies, or waste fur, when such was the fact.

4. To show the name, or other identification issued and registered by the Commission, of one or more of the persons who manufactured such fur products for introduction into commerce, introduced them into commerce, sold them in commerce, advertised or offered them for sale, in commerce, or transported or distributed them in commerce.

PAR. 5. Certain of said fur products were misbranded in violation of the Fur Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) The term "natural" was not used on labels to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

(b) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not completely set out on one side of labels, in violation of Rule 29(a) of said Rules and Regulations.

(c) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in handwriting on labels, in violation of Rule 29(b) of said Rules and Regulations.

(d) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth in the required sequence, in violation of Rule 30 of said Rules and Regulations.

PAR. 6. Certain of said fur products were falsely and deceptively advertised in violation of the Fur Products Labeling Act in that certain advertisements intended to aid, promote and assist, directly or indirectly in the sale and offering for sale of such fur products were not in accordance with the provisions of Section 5(a) of the said Act.

Among and included in the aforesaid advertisements but not limited thereto, were advertisements of respondents which appeared in issues of the New York Post, a newspaper published in the city of New York, State of New York and having a wide circulation in New York and other States of the United States.

Among such false and deceptive advertisements, but not limited thereto, were advertisements which failed to show that fur products were composed of used fur, when such was the fact.

PAR. 7. By means of the aforesaid advertisements and others of similar import and meaning not specifically referred to herein, respondents falsely and deceptively advertised fur products in violation

of the Fur Products Labeling Act in that the said fur products were not advertised in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in abbreviated form, in violation of Rule 4 of the said Rules and Regulations.

(b) The term "natural" was not used to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Rule 19(g) of the said Rules and Regulations.

(c) The disclosure "Secondhand," where required, was not set forth, in violation of Rule 23 of the said Rules and Regulations.

PAR. 8. Respondents furnished false guaranties under section 10(b) of the Fur Products Labeling Act with respect to certain of their fur products by falsely representing in writing that respondents had a continuing guaranty on file with the Federal Trade Commission when respondents in furnishing such guaranties had reason to believe that the fur products so falsely guarantied would be introduced, sold, transported and distributed in commerce, in violation of Rule 48(c) of said Rules and Regulations under the Fur Products Labeling Act and Section 10(b) of said Act.

PAR. 9. 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 methods of competition and unfair and deceptive acts and practices 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent H. Appel & Sons, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 116 West 29th Street, New York, New York.

Respondent Paul Toporoff is an officer of said corporation and his address is the same as that of said corporation.

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 H. Appel & Sons, Inc., a corporation, and its officers, and Paul Toporoff, individually and as an officer of said corporation, and respondents' 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 is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Falsely or deceptively labeling or otherwise falsely or deceptively identifying such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

2. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information

required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

3. Failing to set forth the term "natural" as part of the information required to be disclosed on a label under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

4. Failing to completely set out information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder on one side of the label affixed to such fur product.

5. Setting forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting on a label affixed to such fur product.

6. Failing to set forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder on a label in the sequence required by Rule 30 of the aforesaid Rules and Regulations.

B. Falsely or deceptively advertising any fur product through the use of any advertisement, representation, public announcement or notice which is intended to aid, promote or assist, directly or indirectly, in the sale, or offering for sale of any fur product, and which:

1. Fails to set forth in words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(a) of the Fur Products Labeling Act.

2. Sets forth information required under Section 5(a) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

3. Fails to set forth the term "natural" as part of the information required to be disclosed in advertisements under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

4. Fails to disclose that such fur product contains or is composed of secondhand used furs.

It is further ordered, That H. Appel & Sons, Inc., a corporation, and its officers, and Paul Toporoff, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported or distributed in commerce.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this Order to each of its operating divisions.

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.

IN THE MATTER OF

CITY OF PARIS ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION AND THE FLAMMABLE FABRICS ACTS

Docket C-1310. Complaint, Mar. 14, 1968—Decision, Mar. 14, 1968

Consent order requiring a San Francisco, Calif., retail department store to cease importing or selling any fabric so highly flammable as to be dangerous when worn.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Flammable Fabrics Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that City of Paris, a corporation, and George De Bonis, individually and as an officer of said corporation, and Suzanne De Tesson, individually and as chairman of the board of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Flammable Fabrics 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 City of Paris is a corporation organized, existing and doing business under and by virtue of the laws of the State of California. Individual respondents George De Bonis and

Suzanne De Tesson are respectively president and chairman of the board of the corporate respondent. They formulate, direct and control the acts, practices and policies of said corporation.

The respondents are engaged in the operation of a retail department store, including the importation and sale of fabrics, with their office and principal place of business located at 199 Geary Street, San Francisco, California.

PAR. 2. Respondents, now and for some time last past, have sold and offered for sale, in commerce; have imported into the United States; and have introduced, delivered for introduction, transported, and caused to be transported, in commerce; and have transported and caused to be transported for the purpose of sale or delivery after sale, in commerce; as "commerce" is defined in the Flammable Fabrics Act, fabric, as that term is defined therein, which fabric was, under Section 4 of the Flammable Fabrics Act, as amended, so highly flammable as to be dangerous when worn by individuals.

PAR. 3. The aforesaid acts and practices of respondents were and are in violation of the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder, and as such constitute unfair methods of competition and unfair and deceptive acts and practices in commerce, within the intent and meaning of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Flammable Fabrics 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent City of Paris 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 199 Geary Street, San Francisco, California.

Respondent George De Bonis is an officer of said corporation and respondent Suzanne De Tesson is the chairman of the board of said corporation. Their address is the same as that of said corporation.

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 City of Paris, a corporation, and its officers, and George De Bonis, individually and as an officer of said corporation, and Suzanne De Tesson, individually and as chairman of the board of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from:

(a) Importing into the United States; or

(b) Selling, offering for sale, introducing, delivering for introduction, transporting or causing to be transported, in commerce, as "commerce" is defined in the Flammable Fabrics Act; or

(c) Transporting or causing to be transported, for the purpose of sale or delivery after sale in commerce,

any fabric which, under the provisions of Section 4 of the said Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals.

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

IN THE MATTER OF

PERMALUM PRODUCTS COMPANY ET AL.

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

Docket C-1311. Complaint, Mar. 22, 1968—Decision, Mar. 22, 1968

Consent order requiring a home improvement concern located in Atlanta, Ga., to cease using bait advertising, false pricing and savings claims, misrepresenting that customers' property will be used as model homes, and neglecting to disclose all the details of negotiable papers signed by customers.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Permalum Products Company, a corporation, and Leonard Morris, individually and as an officer of said corporation, hereinafter referred to as respondents, have 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. Permalum Products Company, is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia, with its principal office and place of business located at 684 Spring Street, NW., Atlanta, Georgia.

Leonard Morris 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 said corporation.

PAR. 2. Respondents are now, and for some time last past have been engaged in the offering for sale, sale, distribution and installation of various items of merchandise for installation in or on private homes, including aluminum siding.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products, when sold, to be shipped from their place of business in the State of Georgia to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. In the course and conduct of their business, and for the purpose of inducing the purchase of their products, respondents have made numerous statements and representations in advertising circulars and other promotional material and by oral statements and representations of their salesmen to prospective purchasers respecting the nature of their offer, price, time limitations, quality and free gifts.

Typical and illustrative of the foregoing advertisements, but not all inclusive thereof, are the following:

SAVE on SPECIAL OFFER!
OFFER FOR LIMITED TIME!
ALUMINUM SIDING SALE!
NOW ONLY $299.00 NO EXTRAS
OUR REGULAR PRICE $589.00
APPLIES OVER ANY SURFACE
WOOD SHINGLES, BRICK, STUCCO
COMPLETELY INSTALLED

Includes labor and material for any average size home up to 1000 square feet.

PAR. 5. By and through the use of the aforesaid statements and representations, and others of similar import and meaning but not specifically set out herein, and through oral statements made by their salesmen and representatives, respondents represent, and have represented, directly or by implication, that:

1. The offer set forth in said advertisement is a bona fide offer to sell said siding material of the kind therein described at the prices and on the terms and conditions stated.

2. The offer set forth in said advertisement is for a limited time only.

3. Respondents' products are being offered for sale at a special or reduced price and that savings are thereby afforded purchasers from respondents' regular selling price.

4. The homes of prospective purchasers have been specially selected as model homes for the installation of respondents' siding, and that after installation such homes will be used as points of reference for demonstration and advertising purposes by the respondents, and that, as a result of allowing their homes to be used as models, purchasers will receive allowances, discounts, commissions or some other compensation.

5. Respondents' siding materials are a new and revolutionary kind of product and differ substantially from other siding materials available on the market.

6. Respondents' siding materials will not require repainting or repair for the life of the structure on which they are applied.

PAR. 6. In truth and in fact:

1. The offer set forth above, is not a genuine or bona fide offer but is made for the purpose of obtaining leads as to persons interested in the purchase of respondents' products. After obtaining such leads, respondents, their salesmen or representatives call upon such persons at their homes or wait upon them at respondents' place of business. At such times and places, respondents, their salesmen or representatives disparage the advertised aluminum siding and otherwise discourage the purchase thereof and attempt to sell, and do sell, different and more expensive aluminum siding.

2. The offer set forth above, is not for a limited time only. Said merchandise is advertised regularly at the represented prices and on the terms and conditions therein stated.

3. Respondents' products are not being offered for sale at a special or reduced price and savings are not afforded respondents' customers because of a reduction from respondents' regular selling price. In fact, respondents do not have a regular selling price but the prices at which respondents' products are sold vary from customer to customer depending on the resistance of the prospective purchaser.

4. The homes of prospective purchasers are not specially selected as model homes, and respondents do not use purchasers' homes as points of reference for advertising or demonstration purposes. In addition, respondents do not give allowances, discounts, commissions or other compensation to purchasers who agree to have their homes used as models.

5. Respondents' siding materials are neither a new or revolutionary kind of product nor do they substantially differ from other siding materials available on the market.

6. Respondents' siding materals will require repainting and repair.

Therefore, the statements and representations set forth in Paragraphs Four and Five hereof were, and are, false, misleading and deceptive.

PAR. 7. In the course and conduct of their business, as aforesaid, respondents or their salesmen in a substantial number of cases fail to disclose orally at the time of sale and in writing on any conditional sales contract, promissory note or other instrument executed by the purchaser, with such conspicuousness and clarity as is likely to be read and observed by the purchaser, that such conditional sales contract, promissory note or other instrument may, at the option of the

seller and without notice to the purchaser, be negotiated or assigned to a finance company or other third party and that if such negotiation or assignment is effected, the purchaser will then owe the amount due under the contract to the finance company or third party and may have to pay this amount in full whether or not he has claims against the seller under the contract for defects in the merchandise, nondelivery or the like.

The aforesaid failure of the respondents or their representatives to reveal said facts to purchasers has the tendency and capacity to lead and induce a substantial number of such persons into the understanding and belief that the respondents will not negotiate or transfer such documents, as aforesaid, and that legal obligations and relationships will exist only between such respondents and purchasers and will remain unchanged and unaltered, and has the tendency and capacity to induce a substantial number of such persons to enter into contracts or execute promissory notes for the purchase of respondents' products of which facts the Commission takes official notice.

In truth and in fact, respondents frequently and in a substantial number of cases and in the usual course of their business sell, transfer and assign said notes and contracts to finance companies or third parties so as to bring about the aforementioned changes in legal obligations and relationships.

Therefore, the failure of respondents or their representatives to reveal such facts to prospective purchasers, as aforesaid, was and is an unfair and false, misleading and deceptive act and practice.

PAR. 8. In the course of their business and at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of aluminum siding and other building materials of the same general kind and nature as those sold by respondents.

PAR. 9. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and and now has, the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondents' products by reason of said erroneous and mistaken belief.

PAR. 10. The aforesaid acts and practices of respondents, as hereinafter alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair and deceptive

acts and practices in commerce, in violation of Section 5 of 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 Bureau of Deceptive Practices proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission 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 agrement 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 Act, 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Permalum Products Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Georgia, with its office and principal place of business located at 684 Spring Street, NW., Atlanta, Georgia.

Respondent Leonard Morris is an officer of said corporation and his address is the same as that of said corporation.

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 Permalum Products Company, a corporation, and its officers and Leonard Morris, individually and as an officer of said corporation, and respondents' agents, representatives

and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale, distribution or installation of residential aluminum siding or any other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using, in any manner, a sales plan, scheme or device wherein false, misleading or deceptive statements or representations are made in order to obtain leads or prospects for the sale of other merchandise or services.

2. Making representations purporting to offer merchandise for sale when the purpose of the representation is not to sell the offered merchandise but to obtain leads or prospects for the sale of other merchandise at higher prices.

3. Discouraging the purchase of or disparaging any merchandise or services which are advertised or offered for sale .

4. Representing, directly or by implication, that any merchandise or services are offered for sale when such offer is not a bona fide offer to sell such merchandise or services.

5. Representing, directly or by implication, that respondents' offer of products is limited as to time, or in any other manner: *Provided, however*, That it shall be a defense in any enforcement proceeding instituted hereunder for respondents to establish that any represented limitation as to time or other represented restriction is actually imposed and in good faith adhered to by re-respondents.

6. Representing, directly or by implication, that any price for respondents' products is a special or reduced price unless such price constitutes a significant reduction from an established selling price at which such products have been sold in substantial quantities by respondents in the recent regular course of their business.

7. Misrepresenting, in any manner, savings available to purchasers of respondents' products.

8. Representing, directly or by implication, that the home of any of respondents' customers or prospective customers has been selected as a model home to be used for advertising purposes or will be used for advertising purposes.

9. Representing, directly or by implication, that any allowance, discount, commission or other compensation is granted by respondents to purchasers in return for permitting the premises on which respondents' products are installed to be used for advertising purposes.

10. Representing, directly or by implication, that respondents' siding materials are a new or revolutionary kind of product, or that respondents' products differ substantially from other siding materials available on the market.

11. Representing that respondents' siding materials will not require repainting or repair; or misrepresenting, in any manner, the efficacy, durability or efficiency of respondents' products.

12. Failing to orally disclose prior to the time of sale, and in writing on any conditional sales contract, promissory note or other instrument of indebtedness executed by a purchaser, and with such conspicuousness and clarity as is likely to be observed and read by such purchaser, that:

> Any such instrument at respondents' option and without notice to the purchaser, may be discounted, negotiated or assigned to a finance company or other third party to which the purchaser will thereafter be indebted and against which the purchaser's claims or defenses may not be available.

13. Failing to clearly and fully reveal, disclose and inform customers of all terms and conditions of a sale and of any installment contract or promissory note or other instrument to be signed by any customer.

14. Failing to deliver a copy of this order to cease and desist to all present and future salesmen or other persons engaged in the sale of respondents' products or services, and failing to secure from each such salesman or other person a signed statement acknowledging receipt of said order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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.

IN THE MATTER OF

AL KAUFMAN FURS, 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-1312. Complaint, Mar. 22, 1968—Decision, Mar. 22, 1968

Consent order requiring a New York City manufacturing furrier to cease misbranding, deceptively invoicing, and falsely guaranteeing its fur products.

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 Al Kaufman Furs, Inc., a corporation, and Albert Kaufman, Ltd., a corporation, and Albert Kaufman, individually and as an officer of said corporations, hereinafter referred to as respondents, have violated the provisions of 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 Al Kaufman Furs, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Albert Kaufman, Ltd., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Albert Kaufman is an officer of both corporate respondents. He formulates, directs and controls the acts, practices and policies of the said corporate respondents including those hereinafter set forth.

Respondents are manufacturers and wholesalers of fur products with their office and principal place of business located at 208 West 30th Street, 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 manufacture for 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 manufactured for sale, 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, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 3. Certain of said fur products were misbranded in that they were falsely and deceptively labeled, or otherwise falsely or deceptively identified to show that fur contained therein was natural, when in fact such fur was pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Section 4(1) of the Fur Products Labeling Act.

PAR. 4. Certain of said fur products were misbranded in that they were falsely and deceptively labeled or otherwise falsely or deceptively identified with respect to the name or designation of the animal or animals that produced the fur from which the said fur products had been manufactured, in violation of Section 4(1) of the Fur Products Labeling Act.

Among such misbranded fur products, but not limited thereto, were fur products label as "Broadtail" thereby implying that the furs contained therein were entitled to the designation "Broadtail Lamb," when in truth and in fact, the furs contained therein were not entitled to such designation.

PAR. 5. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products, but not limited thereto, were fur products with labels which failed:

1. To show the true animal name of the fur used in any such fur product.

2. To disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.

3. To show the name, or other identification issued and registered by the Commission, of one or more of the persons who manufactured any such fur product for introduction into commerce, introduced it into commerce, sold it in commerce, advertised or offered it for sale, in commerce, or transported or distributed it in commerce.

4. To show the country or origin of the imported furs contained in the fur products.

PAR. 6. Certain of said fur products were misbranded in violation of the Fur Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth on labels in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) The term "natural" was not used on labels to describe fur products which were not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

(c) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth in handwriting on labels, in violation of Rule 29(b) of said Rules and Regulations.

(d) Information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was not set forth in the required sequence, in violation of Rule 30 of said Rules and Regulations.

(e) Required item numbers were not set forth on labels, in violation of Rule 40 of said Rules and Regulations.

PAR. 7. Certain of said fur products 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, but not limited thereto, were fur products covered by invoices which failed:

1. To show the true animal name of the fur used in any such fur product.

2. To disclose that the fur contained in the fur products was bleached, dyed, or otherwise artificially colored, when such was the fact.

3. To show the country of origin of imported fur used in any such fur product.

PAR. 8. Certain of said fur products were falsely and deceptively invoiced with respect to the name or designation of the animal or animals that produced the fur from which the said fur products had been manufactured, in violation of Section 5(b)(2) of the Fur Products Labeling Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were fur products which were invoiced as "Broadtail" thereby implying that the furs contained therein were entitled to the designation "Broadtail Lamb," when, in truth and in fact, furs contained therein were not entitled to such designation.

PAR. 9. Certain of said fur products were falsely and deceptively invoiced in violation of the Fur Products Labeling Act in that they were not invoiced in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) Information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder was set forth on invoices in abbreviated form, in violation of Rule 4 of said Rules and Regulations.

(b) The term "natural" was not used on invoices to describe fur products which were not pointed, bleached, dyed, tip-dyed or otherwise artificially colored, in violation of Rule 19(g) of said Rules and Regulations.

(c) Required item numbers were not set forth on invoices, in violation of Rule 40 of said Rules and Regulations.

PAR. 10. Respondents furnished false guaranties that certain of their fur products were not misbranded, falsely invoiced or falsely advertised when respondents in furnishing such guaranties had reason to believe that fur products so falsely guarantied would be introduced, sold, transported or distributed in commerce, in violation of Section 10(b) of the Fur Products Labeling Act.

PAR. 11. 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 methods of competition and unfair and deceptive acts and practices 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Al Kaufman Furs, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 208 West 30th Street, New York, New York.

Respondent Albert Kaufman, Ltd., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 208 West 30th Street, New York, New York.

Respondent Albert Kaufman is an officer of said corporations and his address is the same as that of said corporations.

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 Al Kaufman Furs, Inc., a corporation, and its officers, and Albert Kaufman, Ltd., a corporation, and its officers, and Albert Kaufman, individually and as an officer of said corporations, and respondents' representatives, agent and employees, directly or through any corporate 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, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Representing, directly or by implication, on a label that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

2. Falsely or deceptively labeling or otherwise falsely or deceptively identifying such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

3. Failing to affix a label to such fur product showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

4. Setting forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form on a label affixed to such fur product.

5. Failing to set forth the term "natural" as part of the information required to be disclosed on a label under the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

6. Setting forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in handwriting on a label affixed to such fur product.

7. Failing to set forth information required under Section 4(2) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder on a label in the sequence required by Rule 30, of the aforesaid Rules and Regulations.

8. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing any fur product 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 each of the subsections of Section 5(b)(1) of the Fur Products Labeling Act.

2. Setting forth on an invoice pertaining to such fur product any false or deceptive information with respect to the name or designation of the animal or animals that produced the fur contained in such fur product.

3. Setting forth information required under Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder in abbreviated form.

4. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the

Fur Products Labeling Act and Rules and Regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artifically colored.

5. Failing to set forth on an invoice the item number or mark assigned to such fur product.

It is further ordered, That Al Kaufman Furs, Inc., a corporation, and its officers, and Albert Kaufman, Ltd., a corporation, and its officers, and Albert Kaufman, individually and as an officer of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported, or distributed in commerce.

It is further ordered, That the respondent corporations shall forthwith distribute a copy of this order to each of their operating divisions.

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.

IN THE MATTER OF

DARIO OF ITALY, INC., ET AL.

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

Docket C-1313. Complaint, Mar. 25, 1968—Decision, Mar. 25, 1968

Consent order requiring a Miami, Fla., importer and distributor of ladies' sweaters and hats to cease misbranding its wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 Dario of Italy, Inc., a corporation, and Carl Goodkin, 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 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 Dario of Italy, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida.

Individual respondent Carl Goodkin is an officer of said corporation. He formulates, directs and controls the acts, practices and policies of the corporate respondent including the acts and practices hereinafter referred to.

Respondents are engaged in importing and distributing ladies' wool blend sweaters and hats. Sales are made to retail stores located throughout the United States. Their office and principal place of business is located at 67–52 NE., Fourth Avenue, Miami, Florida. They also maintain a place of business where the imported products are received and distributed to various customers throughout the United States. The address of this place of business is 25 Buena Vista Avenue, Lawrence, L.I., New York.

PAR. 2. Respondents, now and for some time last past, have introduced into commerce, sold, transported, distributed, delivered for shipment, shipped and offered for sale, in commerce, as "commerce" is defined in said Wool Products Labeling Act of 1939, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a)(1) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were wool blend sweaters stamped, tagged, labeled, or otherwise identified as containing "80% wool, 10% mohair, 10% nylon" whereas in truth and in fact, such sweaters contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

418-345—72——33

Among such misbranded wool products, but not limited thereto, were wool blend sweaters with labels on or affixed thereto, which failed to disclose the percentage of the total fiber weight of the said wool product, exclusive of ornamentation not exceeding 5 per centum of said total fiber weight of (1) wool fibers; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool when said percentage by weight of such fiber was 5 per centum or more; and (5) the aggregate of all other fibers.

PAR. 5. Certain of said wool products were misbranded in violation of the Wool Products Labeling Act of 1939, in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder, in that the term "mohair" was used in lieu of the word "wool" in setting forth the required fiber content information on labels affixed to wool products without setting forth the correct percentage of the mohair, in violation of Rule 19 of the Rules and Regulations under the Wool Products Labeling Act of 1939.

PAR. 6. The acts and practices of the respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices in commerce, within the intent and meaning of 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 a copy of a draft of complaint which the Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939; 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Dario of Italy, Inc., 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 67–52 NE., Fourth Avenue, Miami, Florida.

Respondent Carl Goodkin is an officer of said corporation and his address is the same as that of said corporation.

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 Dario of Italy, Inc., a corporation, and its officers, and Carl Goodkin, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the manufacture for introduction into commerce, introduction into commerce, or offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding wool products by:

1. Falsely and deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to or place on, each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

3. Using the term "mohair" in lieu of the word "wool" in setting forth the required fiber content information on labels affixed to wool products without setting forth the correct percentage of the mohair present.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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.

IN THE MATTER OF

KANSAS CITY QUILTING CO., INC., ET AL.

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

Docket C-1314. Complaint, Mar. 25, 1968—Decision, Mar. 25, 1968

Consent order requiring a Kansas City, Mo., manufacturer of quilted woolen fabrics to cease misbranding its wool and textile fiber products and failing to maintain required records.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Kansas City Quilting Co., Inc., a corporation, and Lionel J. Kunst and Solomon Burstein, individually and as officers 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 Kansas City Quilting Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri.

Respondents Lionel J. Kunst and Solomon Burstein are officers of said corporate respondent. They control the acts, practices and policies of said corporate respondent.

Respondents are engaged in the manufacture and sale of wool and textile fiber products, including quilted fabrics, with their office and principal place of business located at 2441 Charlotte Street, Kansas City, Missouri.

PAR. 2. Respondents, now and for some time last past, have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped, and offered for sale, in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, wool products as "wool product" is defined therein.

PAR. 3. Certain of said wool products were misbranded by the respondents within the intent and meaning of Section 4(a)(1) of the Wool Products Labeling Act of 1939 and Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were quilted fabrics stamped, tagged, labeled, or otherwise identified by respondents as "50% Acrylic, 50% Other Fibers," whereas in truth and in fact, said products contained woolen fibers together with substantially different fibers and amounts of fibers than as represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, labeled, tagged, or otherwise identified as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, was a wool product with a label on or affixed thereto which failed to disclose the percentage of the total fiber weight of the said wool product exclusive of ornamentation not exceeding 5 per centum of the total fiber weight, of (1) wool: (2) reprocessed wool: (3) reused wool; (4) each fiber other than wool, when said percentage by weight of such fiber was 5 per centum or more; and (5) the aggregate of all other fibers.

PAR. 5. The acts and practices of the respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce within the meaning of the Federal Trade Commission Act.

PAR. 6. Respondents are now, and for some time last past have been, engaged in the introduction, delivery for introduction, manufacture for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and the importation into the United States, of textile fiber products; and have

sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which had been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, either in their original state or contained in other textile fiber products; as the terms "commerce" and "textile fiber products" are defined in the Textile Fiber Products Identification Act.

PAR. 7. Respondents have failed to maintain proper records showing the fiber content of the textile fiber products manufactured by them, in violation of Section 6 of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

PAR. 8. The acts and practices of respondents, as set forth in Paragraph Seven above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices in commerce under the Federal Trade Commision 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification 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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Kansas City Quilting Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri with its office and principal place of business located at 2441 Charlotte Street, Kansas City, Missouri.

Respondents Lionel J. Kunst and Solomon Burstein are officers of said corporation and their address is the same as that of said corporation.

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 Kansas City Quilting Co., Inc., a corporation, and its officers, and Lionel J. Kunst and Solomon Burstein, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely and deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to, or place on, each such product a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Kansas City Quilting Co., Inc., a corporation, and its officers, and Lionel J. Kunst and Solomon Burstein, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States,

of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from failing to maintain and preserve proper records showing the fiber content of the textile fiber products manufactured by said respondents, as required by Section 6 of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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.

IN THE MATTER OF

MOTOROLA, INC.

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

Docket 8473. Complaint, Mar. 23, 1962—Decision, Mar. 28, 1968

Order dismissing charges for failure of proof against a Franklin Park, Ill., distributor of radio and television sets that it had misrepresented or failed to disclose the country of origin of certain component parts of its products. Other charges against respondent were disposed of in an earlier order, 64 F.T.C. 62, dated January 14, 1964.

FINAL ORDER ON ISSUES PRESENTED BY THE COUNTRY OF ORIGIN CHARGES OF THE COMPLAINT

This matter has been pendings before the Commission on respondent's appeal from findings and conclusions numbered 13 and 14, and paragraphs numbered 1(k), 3 and 4 of the order to cease and desist set forth in the hearing examiner's initial decision. These particular findings, conclusions and paragraphs of the order relate to Paragraphs

Five E and Six E and Paragraphs Seven, Eight and Nine of the complaint which charge respondent with misrepresenting the country of origin of the component parts of certain of its radios and with failing to disclose the country of origin of such imported components, in violation of Section 5 of the Federal Trade Commission Act. Decision with respect to the issues presented in these paragraphs of the complaint was reserved by the Commission in its final order issued January 14, 1964 [64 F.T.C. 62], in disposition of the other issues raised by respondent's appeal and the appeal of counsel supporting the complaint.

The Commission having determined that the aforesaid foreign origin charges in the complaint should be dismissed for failure of proof, and that respondent's appeal from the hearing examiner's findings, conclusions and order dealing with these charges should be granted:

It is ordered, That the initial decision as modified by the Commission's order of January 14, 1964 [64 F.T.C. 62], be, and it hereby is, further modified by striking findings and conclusions numbered 13 and 14.

It is further ordered, That paragraphs 1(k), 3 and 4 of the hearing examiner's order to cease and desist be, and they hereby are, vacated and set aside.

It is further ordered, That Paragraphs Five E and Six E and Paragraphs Seven, Eight and Nine of the complaint be, and they hereby are, dismissed.

Commissioner MacIntyre not concurring, and Commissioners Jones and Nicholson not participating for the reason that oral argument was heard prior to their appointment to the Commission.

IN THE MATTER OF

FONDA MANUFACTURING CORPORATION ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION AND THE FLAMMABLE FABRICS ACTS

Docket C-1315. Complaint, April 1, 1968—Decision, April 1, 1968

Consent order requiring a New York City importer and processor of fabrics to cease importing or selling any dangerously flammable fabric.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Flammable Fabrics Act, and by virtue of the authority vested

in it by said Acts, the Federal Trade Commission, having reason to believe that Fonda Manufacturing Corporation, a corporation, and Henry M. Rem and John P. Malik, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts, and the Rules and Regulations promulgated under the Flammable Fabrics 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 Fonda Manufacturing Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. Respondents Henry M. Rem and John P. Malik are officers of said corporate respondent. They formulate, direct and control the acts, practices and policies of said corporation.

The respondents are engaged in the maufacture, sale and distribution of fabrics, with manufacturing facilities located at 1 Cayadutta Street, Fonda, New York, and with their office and principal place of business located at 411 Fifth Avenue, New York, New York.

PAR. 2. Respondents, now and for some time last past, have sold and offered for sale, in commerce; have imported into the United States; and have introduced, delivered for introduction, transported, and caused to be transported, in commerce; and have transported and caused to be transported for the purpose of sale or delivery after sale, in commerce; as "commerce" is defined in the Flammable Fabrics Act, fabric, as that term is defined therein, which fabric was, under Section 4 of the Flammable Fabrics Act, as amended, so highly flammable as to be dangerous when worn by individuals.

PAR. 3. The aforesaid acts and practices of respondents were and are in violation of the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder, and as such constitute unfair methods of competition and unfair and deceptive acts and practices in commerce, within the intent and meaning of 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 Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation

of the Federal Trade Commission Act and the Flammable Fabrics 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 Commisssion'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 § 2.34(b) of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Fonda Manufacturing Corporation is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with manufacturing facilities located at 1 Cayadutta Street, Fonda, New York, and with its office and principal place of business located at 411 Fifth Avenue, New York, New York.

Respondents Henry M. Rem and John P. Malik are officers of said corporation and their address is the same as that of said corporation.

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 Fonda Manufacturing Corporation, a corporation, and its officers, and Henry M. Rem, and John P. Malik, individually and as officers of said corporation and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from:

(a) Importing into the United States; or

(b) Selling, offering for sale, introducing, delivering for introduction, transporting, or causing to be transported, in commerce, as "commerce" is defined in the Flammable Fabrics Act; or

(c) Transporting or causing to be transported, for the purpose of sale or delivery after sale in commerce,

any fabric which, under the provisions of Section 4 of the Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals.

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.

IN THE MATTER OF

ALUMINUM EXTERIOR DESIGNERS, INC., ET AL.

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

Docket C-1316. Complaint, April 2, 1968—Decision, April 2, 1968

Consent order requiring an Evansville, Ind., distributor of home improvement products to cease misrepresenting that purchasers of its aluminum siding will receive reduced prices or bonuses for use of their homes as models, that its products are unconditionally guaranteed, that it is affiliated with Kaiser Aluminum Company, and neglecting to disclose the total cost and all details of its installation contracts prior to signing by the customer.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that Aluminum Exterior Designers, Inc., a corporation, and Kenneth W. Stevens, individually and as an officer of said corporation, hereinafter referred to as respondents, have 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 Aluminum Exterior Designers, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana, with its principal office and place of business located at 1274 Maxwell Avenue, in the city of Evansville, State of Indiana. The business operated by corporate respondent was formerly operated by Aluminum Exterior Designers, a partnership, composed of Frank H. Stevens and Aline Stevens and corporate respondent is successor in interest thereto.

Respondent Kenneth W. Stevens is an officer of said corporation and formerly was manager of said partnership. He formulates, directs and controls the acts and practices of the corporate respondent and formerly formulated, directed and controlled the acts and practices of said partnership. His address is the same as that of the said corporate respondent.

PAR. 2. Respondents have been engaged in the offering for sale, sale, distribution and installation of aluminum siding and other home improvement products to the public.

PAR. 3. In the course and conduct of their business, respondents have caused their said products, when sold, to be shipped from their place of business in the State of Indiana to purchasers thereof located in various other States of the United States, and have maintained a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act. The acts and practices hereinafter described, referred to and alleged to have been participated in by the corporate respondent relate to acts performed and practices engaged in by said Aluminum Exterior Designers, a partnership; and legal responsibility therefor accordingly is shared by and imputed to corporate respondent (1) by reason of its being the successor in interest to, and succeeding to the operation of the business conducted by, that partnership and (2) by reason of the fact that both concerns were under the same management and operating control.

PAR. 4. In the course and conduct of their aforesaid business, and for the purpose of inducing the purchase of their products, respondents and their salesmen or representatives have represented, directly or by implication, in advertising and promotional material and in oral solicitations to prospective purchasers, that:

1. Purchasers, who allow aluminum siding and other home improvement products installed by respondents on their homes to be used as models and for demonstration purposes, will be charged special or reduced prices based on respondents' regular selling prices and savings will thereby be granted such purchasers in reductions from such selling prices.

2. Purchasers will receive a commission or bonus from respondents for each sale of respondents' installed aluminum siding or other home improvement products made as a result of displaying their homes and referring other purchasers to respondents.

3. All purchasers of respondents' installed siding materials will realize a 25 percent or greater reduction in heating costs.

4. Respondents are connected or affiliated with Kaiser Aluminum Company.

5. Respondents' home improvement products are unconditionally guaranteed or are guaranteed for a lifetime.

PAR. 5. In truth and in fact:

1. Respondents in few, if any instances, have used the homes of purchasers as model homes for advertising purposes. Respondents' aluminum siding and other home improvement products have not been sold to purchasers at special or reduced prices based on respondents' regular selling prices and savings have not been granted purchasers because of a reduction from respondents' regular selling prices. In fact, respondents have not had a regular selling price but the price at which respondents' products have been sold has varied from customer to customer depending on the resistance of the prospective purchaser.

2. With the exception of rare instances, purchasers have not been paid a commission or bonus by respondents for a sale of respondents' installed aluminum siding or other home improvement products made as a result of displaying their homes and referring other purchasers to respondents.

3. All purchasers of respondents' installed siding materials have not realized a 25 percent or greater reduction in heating costs. Savings in heat loss resulting from installed siding materials vary widely depending on the nature and condition of the structure to which they are applied.

4. Respondents are not nor have they been connected or affiliated with Kaiser Aluminum Company.

5. Respondents' installed home improvement products have not been unconditionally guaranteed or guaranteed for a lifetime. Such guarantee as may have been provided by respondents to purchasers has been subject to numerous terms, conditions and limitations and the lifetime for which the guarantee extends has not been therein specified.

Therefore, the statements and representations as set forth in Paragraph Four hereof were false, misleading and deceptive.

PAR. 6. In the course and conduct of their business, as aforesaid, and in furtherance of their deceptive sales program, respondents and their salesmen or representatives have engaged in the following acts and practices:

1. They have induced or otherwise caused purchasers to sign completion slips before all contracted details of their home installation procedures were consummated, thereby relieving respondents of their contractual obligations and requirements.

2. They have induced or otherwise caused purchasers to sign monthly payment contracts which misrepresented the total cost of respondents' home improvement products.

3. They have failed to disclose or refused to disclose the total cost of their installed home improvement products and that a purchaser is assessed interest charges in satisfaction thereof, during the negotiation and at the consummation of their monthly payment contracts. In some instances, the purchaser learned the total amount of his indebtedness and assessed interest amounts for the first time when contacted by the finance company or bank to which respondents had negotiated or otherwise assigned his contract.

Therefore, the acts and the practices as set forth in Paragraph Six hereof, were false, misleading and deceptive.

PAR. 7. In the course and conduct of their business, as aforesaid, respondents or their salesmen in a substantial number of cases have failed to disclose orally at the time of sale and in writing on any conditional sales contract, promissory note or other instrument executed by the purchaser, with such conspicuousness and clarity as is likely to be read and observed by the purchaser, that such conditional sales contract, promissory note or other instrument may, at the option of the seller and without notice to the purchaser, be negotiated or assigned to a finance company or other third party and that if such negotiation or assignment is effected, the purchaser will then owe the amount due under the contract to the finance company or third party and may have to pay this amount in full whether or not he has claims against the seller under the contract for defects in the merchandise, nondelivery or the like.

The aforesaid failure of the respondents or their representatives to reveal said facts to purchasers has had the tendency and capacity to lead and induce a substantial number of such persons into the understanding and belief that the respondents will not negotiate or transfer such documents, as aforesaid, and that legal obligations and relationships will exist only between such respondents and purchasers and will remain unchanged and unaltered, and has had the tendency and capacity to induce a substantial number of such persons to enter into contracts or execute promissory notes for the purchase of respondents' products of which facts the Commission takes official notice.

In truth and in fact, respondents frequently and in a substantial number of cases and in the usual course of their business have sold, transferred and assigned said notes and contracts to finance companies or third parties so as to bring about the aforementioned changes in legal obligations and relationships.

Therefore the failure of respondents or their representatives to reveal such facts to prospective purchasers, as aforesaid, has been an unfair and false, misleading and deceptive act and practice.

PAR. 8. In the conduct of their business, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of aluminum siding and other home improvement products of the same general kind and nature as that sold by respondents.

PAR. 9. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had the capacity and tendency to mislead members of the purchasing public into the erroneous and mistaken belief that the said statements and representations were true and into the purchase of substantial quantities of respondents' products by reason of such erroneous and mistaken belief.

PAR. 10. The aforesaid acts and practices of respondents, as herein alleged, have been all to the prejudice and injury of the public and of respondents' competitors and have constituted unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce, in violation of Section 5 of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Federal Trade Commission Act, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; 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 complaint to issue herein, 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 others provisions as required by the Commission's Rules; and

The Commission having considered the agreement and having accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of 30 days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint in the form con-

templated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent Aluminum Exterior Designers, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Indiana, with its principal office and place of business located at 1274 Maxwell Avenue, in the city of Evansville, State of Indiana. The business operated by corporate respondent was formerly operated by Aluminum Exterior Designers, a partnership, composed of Frank H. Stevens and Aline Stevens and corporate respondent is successor in interest thereto.

Respondent Kenneth W. Stevens is an officer of said corporation and formerly was manager of said partnership and his address is the same as that of said corporation.

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 Aluminum Exterior Designers, Inc., a corporation, and its officers, and Kenneth W. Stevens, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, distribution or installation of aluminum siding or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that:

(a) The home of any of respondents' purchasers will be used as a model home or otherwise for advertising purposes.

(b) Any price of respondents' products is a special or reduced price unless such price constitutes a significant reduction from an established selling price at which such products have been sold in substantial quantities by respondents in the recent regular course of their business.

(c) Purchasers will receive commissions, bonuses or other compensation, unless respondents provide an opportunity or program whereby purchasers can qualify for such commissions, bonuses or other compensation, and provide such commissions, bonuses or other compensation in every instance, to those qualifying therefor; or misrepresenting, in any manner, commissions, bonuses or any other compensation to be received by respondents' purchasers.

(d) Any percentage or amount of savings or reduction in heat costs or loss will result from the use of respondents' products: *Provided, however,* That it shall be a defense in any enforcement proceeding instituted hereunder for respondents to establish that each purchaser will in fact realize a savings or reduction in the costs or loss in the amount or percentage represented.

(e) Respondents are connected or affiliated with Kaiser Aluminum Company: *Provided, however,* That nothing herein shall be construed to prohibit the respondents from truthfully and nondeceptively representing that respondents are dealers in products of Kaiser Aluminum Company; or misrepresenting, in any manner, respondents' business connections or affiliations.

(f) Any of respondents' products are guaranteed unless the nature and extent of the guarantee, the identity of the guarantor and the manner in which the guarantor will perform thereunder are clearly, emphatically and conspicuously disclosed to the purchaser in immediate conjunction with such guarantee representation.

2. Using the word "lifetime" or any other expression of the same import or meaning in referring to the duration of a guarantee of a product without clearly, emphatically and conspicuously disclosing the life to which such reference is made in immediate conjunction with such guarantee representation.

3. Misrepresenting, in any manner, prices, guarantees or any savings available to purchasers of respondents' products.

4. Inducing or otherwise causing purchasers of respondents' products to sign or otherwise execute completion slips or any similar document or documents before consummation of any and all contracted details of a particular installation.

5. Inducing or otherwise causing purchasers or prospective purchasers of respondents' products to sign monthly payment contracts or any other contractual instruments which do not clearly and conspicuously state the total cost of respondents' products.

6. Failing to disclose or refusing to disclose to purchasers or prospective purchasers in written contracts, promissory notes or otherwise the exact amounts of the total cost of respondents' products and of all interest payments, carrying charges and other charges, at the time the sale of such products is consummated.

7. Failing to orally disclose prior to the time of sale, and in writing on any conditional sales contract, promissory note or other

instrument of indebtedness executed by a purchaser, and with such conspicuousness and clarity as is likely to be observed and read by such purchaser, that:

Any such instrument, at respondents' option and without notice to the purchaser, may be discounted, negotiated or assigned to a finance company or other third party to which the purchaser will thereafter be indebted and against which the purchaser's claims or defenses may not be available.

8. Failing to clearly and fully reveal, disclose and inform customers of all terms and conditions of a sale and of any installment contract or promissory note or other instrument to be signed by any customer.

9. Failing to deliver a copy of this order to cease and desist to all present and future salesmen or other persons engaged in the sale of respondents' products or services, and failing to secure from each such salesman or other person a signed statement acknowledging receipt of said order.

It is further ordered, That after the acceptance of the initial report of compliance, respondents shall submit a report to the Commission once every year during the next three years describing all complaints respecting unauthorized representations, all complaints received from customers respecting representations by salesmen which are claimed to have been deceptive, the facts uncovered by respondents in their investigation thereof and the action taken by respondents with respect to each such complaint.

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.

IN THE MATTER OF

SURREY SLEEP PRODUCTS, INC., ET AL.

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

Docket 8695. Complaint, July 19, 1966—Decision, April 3, 1968

Order requiring a Long Island City, N.Y., manufacturer of mattresses and box springs to cease using deceptive guarantees in the sale of its mattresses and other articles of merchandise.