

IN THE MATTER OF

EILEEN-JOY FASHIONS, INC., TEEN FROCKS, INC.; AND
MORRIS SCHARF AND HENRY DUDKIN, INDIVIDUALLY,
AND AS OFFICERS OF EILEEN-JOY FASHIONS, INC.
AND TEEN FROCKS, INC., AND FORMERLY COPART-
NERS TRADING AS EILEEN-JOY FASHIONSCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 28, 1914*Docket 4038. Complaint, Feb. 23, 1940—Decision, Apr. 17, 1940*

Where two corporations and two individuals, former partners who were officers thereof and at all times since organization thereof dominated and controlled one or both, as case might be, engaged in manufacture of various grades and types of dresses and other wearing apparel for women, and in sale and distribution thereof to purchasers in various other States and in the District of Columbia, in substantial competition with others engaged in sale and distribution of such dresses and other articles of wearing apparel; in furtherance of a practice of falsely representing the constituent fiber or material of which their said products were made, through false representations on tags, labels, price lists, and in various advertising material, and through failure to disclose rayon content of certain of such products, and to induce purchase thereof and endeavor to aid jobbers, retailers, and other purchasers to procure customers' orders therefor—

- (a) Represented, as typical of their said acts and practices, certain of their fabrics as being composed of silk, product of cocoon of silk worm, through placing on and using in tags, labels, price lists, and various advertising circulars and other printed matter, term "Taffeta" as descriptive of material from which fabric in question was made, notwithstanding fact said fabric was not, as understood by members of purchasing public from said word and as associated with such word, used unqualified, to designate, describe, and refer to dress goods and other items of women's wearing apparel, silk, product of cocoon of silk worm, and products of which are and have long been held in great public esteem and confidence for their preeminent qualities;
- (b) Represented, as aforesaid and as typical of said acts and practices, certain of their fabrics as being composed of silk, product of cocoon of silk worm, and as below set forth, through placing on or using in tags, labels, price lists, and various advertising circulars and other printed matter, term "Pure Dye" as descriptive of material from which product in question was made, notwithstanding fact fabric in question was not made of silk, product of cocoon of silk worm, which had not been subject to a metallic bath and which, except for necessary dyeing and finishing materials, contained no other;
- (c) Represented, as aforesaid, certain of their fabrics as being composed of silk, product of cocoon of silk work, through placing on or using in tags, labels, price lists, and in various other advertising circulars and other printed matter, terms "Celanese" and "Celanese Clairanese Taffeta," notwithstanding fact product in question was not composed of silk, product of cocoon of silk work, but was made of material other than silk, or rayon, and words "Celanese" and "Celanese Clairanese," used either sepa-

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rately or in conjunction with word "Taffeta," or any other word or phrase of similar import or meaning, to designate or describe rayon, were not sufficiently well known and understood by purchasing and consuming public to indicate to or inform them that merchandise thus described, designated, or referred to was made, as aforesaid, of material other than silk, and of rayon; and

- (d) Advertised, offered for sale, and sold certain products composed of rayon which, when so made as to simulate silk, has appearance and feel thereof, and is by purchasing public practically indistinguishable therefrom, and is readily believed and accepted by said public as being silk, product of cocoon of silk worm, without indicating or disclosing on labels or tags used by them or in various advertising thereof, constituent rayon fibers or materials of said products, of which they were composed entirely;

With result of placing in the hands of uninformed or unscrupulous jobbers and retailers, through practice of furnishing false and misleading labels, tags, and other advertising material to jobbers, retailers, and other customers, and causing such labels, etc., to be placed upon products purchased from them, and through use of labels, tags, and representations in various advertising which do not indicate or disclose rayon content of their products, means and instrumentality whereby such dealers may, and do, deceive members of purchasing public into erroneous and mistaken belief that, when purchasing garments and material made from rayon, they are buying those made from silk, and with tendency and capacity, through such practices and such nondisclosure, to mislead and deceive substantial portion of purchasing public into erroneous and mistaken belief that their said products were silk, and with result, by reason of such belief, that number of consuming and purchasing public bought substantial volume of said products, and trade was diverted unfairly to them from their competitors engaged in sale and distribution in commerce between and among the various States of the United States and in the District of Columbia of various kinds and grades of dresses and wearing apparel for women and who truthfully represent the constituent fibers and material thereof:

Held, That such acts and practices, under the circumstances set forth, were all to the prejudice and injury of the public and competitors, and constituted unfair methods of competition in commerce and unfair and deceptive acts and practices therein.

Mr. Robert Mathis, Jr., for the Commission.

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 Eileen-Joy Fashions, Inc., a corporation, and Teen Frocks, Inc., a corporation, and Morris Scharf and Henry Dudkin, individually and as officers of Eileen-Joy Fashions, Inc. and Teen Frocks, Inc. and as copartners formerly trading as Eileen-Joy Fashions, have violated the provisions of said act; and it appearing to the Commission that a proceeding by it

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in respect thereof would be in the public interest hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Morris Scharf whose address is Forest Hills, New York, and Henry Dudkin of 115 West One Hundred and Ninety-seventh Street, in the city and State of New York, were members of a copartnership for several years prior to December 24, 1938, known as Eileen-Joy Fashions. Eileen-Joy Fashions, Inc., is a corporation which was organized under the laws of the State of New York on the 22d day of July 1938, and has its office and principal place of business at 1375 Broadway in the city and State of New York. Teen Frocks, Inc., is a corporation which was organized under the laws of the State of New York in the year 1933, and has its office and principal place of business at 520 Eighth Avenue in the city of New York and State of New York. The respondent Morris Scharf is the president of Eileen-Joy Fashions, Inc., and at various times between the years 1933 and 1938 served as president of respondent Teen Frocks, Inc. The respondent Henry Dudkin is president of Teen Frocks, Inc., and at various times between the years 1933 and 1938 served as secretary and treasurer of respondent Teen Frocks, Inc.

The two corporate respondents herein have been at all times since their organization dominated and controlled in their corporate affairs and activities by either one or both of the two respondents Morris Scharf and Henry Dudkin.

PAR. 2. Respondents are now and for several years last past have been engaged in the business of manufacturing, selling, and distributing various grades and types of dresses and other wearing apparel for women.

Respondents cause said products when sold to be transported from their places of business in the State of New York to the purchasers thereof located in various other States of the United States and in the District of Columbia.

Respondents maintain, and at all times mentioned herein have maintained, a course of trade in said products in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. Respondents are engaged in substantial competition in commerce among and between the various States of the United States and the District of Columbia with other corporations, partnerships, firms, and individuals engaged in the business of selling and distributing dresses and other articles of wearing apparel for women.

PAR. 4. In the course and conduct of their said business the respondents have engaged in the practice of falsely representing the constituent

fiber or material of which the dresses and other articles of wearing apparel for women sold and distributed by them are made by means of false representations on tags, labels, price lists, and in various advertising material and by the failure to disclose the rayon content of certain of their products. In furtherance of this practice and for the purpose of inducing the purchase of their products and endeavoring to aid jobbers, retailers, and other purchasers of their products to procure customers' orders therefor, respondents have caused false statements and representations purporting to be descriptive of their products and the constituent fibers or materials thereof to be inserted in circulars, price lists, newspapers, and other publications distributed among purchasers and prospective purchasers of said products.

PAR. 5. Among and typical of the acts and practices above described, the respondents represent certain of their fabrics as being composed of silk, the product of the cocoon of the silkworm. As an example of this practice, respondents place on tags, labels, price lists, and in various advertising circulars and other printed matter the following terms or similar terms: "Taffeta," and "Pure Dye" as descriptive of the material from which their products are made. By these means respondents represent that the fabrics so described are composed of silk, the product of the cocoon of the silkworm, when in truth and in fact said fabrics are composed entirely of rayon.

PAR. 6. Over a period of many years the word "silk" has had and still has in the minds of the purchasing and consuming public generally a definite and specific meaning as being the product of the cocoon of the silkworm. Silk products for many years have held and still hold great public esteem and confidence for their preeminent qualities. Silk fiber has long been woven into a variety of fabrics and a number of distinctive terms have been applied to the fabrics resulting from the different types of weaving of silk fiber. Among such terms is the term "Taffeta." Dress goods and other items of women's wearing apparel designated, described and referred to as "Taffeta" have been for a long time and at the present time still are associated in the public mind with fabrics made from silk, the product of the cocoon of the silkworm. Whenever the term "Taffeta" is used to describe or refer to dress goods or other items of women's apparel and such term is not immediately accompanied by other terms or words adequately and accurately naming the fibers of which such materials are made, such term is understood by members of the purchasing public as designating, describing, and referring to materials made from silk, the product of the cocoon of the silkworm.

The words "Pure Dye" have been for a long time and still are associated in the minds of a substantial portion of the purchasing and con-

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suming public with, and as designating or meaning, unweighted silk, the product of the cocoon of the silkworm, which has not been subjected to a metallic bath, and which contains no other materials except necessary dyeing and finishing materials.

PAR. 7. Another and typical act and practice engaged in by the respondents in falsely representing their products and fabrics, is placing on tags, labels, price lists and in various advertising circulars and other printed matter the following terms: "Celanese" and "Celanese Clairanese Taffeta," to designate or describe products composed entirely of rayon. In other cases, the labels and tags used by the respondents as well as representations contained in the various advertising do not indicate or disclose the constituent fibers or material of said products, which are in fact composed entirely of rayon.

PAR. 8. "Rayon" is a chemically manufactured fiber or fabric which may be manufactured so as to simulate silk and when so manufactured it has the appearance and feel of silk and is by the purchasing public practically indistinguishable from silk. By reason of these qualities, rayon, when manufactured to simulate silk and not designated as rayon, is readily believed and accepted by the purchasing public as being silk, the product of the cocoon of the silkworm.

The words "Celanese" and "Celanese Clairanese," when used either separately or in combination or conjunction with the word "Taffeta," or any other word or phrase of similar import or meaning, to designate or describe rayon, are not sufficiently well-known and understood by the purchasing and consuming public to indicate to or inform them that the merchandise so described, designated, or referred to is made of a material other than silk, to wit, rayon.

PAR. 9. By the use of the practice of furnishing false and misleading labels, tags and other advertising material to jobbers, retailers, and other customers, and causing them to be placed upon the products which they purchase from respondents, and also by the use of labels, tags, and representations in various advertising which do not indicate or disclose the rayon content of its products, the respondents place in the hands of uninformed or unscrupulous jobbers and retail dealers a means and instrumentality whereby said dealers may and do deceive or mislead members of the purchasing public into the erroneous and mistaken belief that they are purchasing garments or material manufactured from silk, which are in fact manufactured and composed entirely of rayon.

PAR. 10. The use by respondents of the aforesaid acts and practices including the failure to disclose that their products are made of rayon has had and now has the tendency and capacity to mislead and deceive

a substantial portion of the purchasing public into the erroneous and mistaken belief that respondents' products are composed of silk, the product of the cocoon of the silkworm. On account of this erroneous belief a number of the consuming and purchasing public purchase a substantial volume of respondents' products with the result that trade has been diverted unfairly to the respondents from their competitors who are also engaged in the sale and distribution in commerce between and among the various States of the United States and in the District of Columbia of various kinds and grades of dresses and wearing apparel for women, and who truthfully represent the constituent fibers or material of their products. As a consequence thereof, injury has been and is now being done by respondents to competition in commerce between and among the various States of the United States and in the District of Columbia.

PAR. 11. The aforesaid acts and practices of respondents as herein alleged are all to the prejudice and injury of the public and of respondents' competitors, and constitute unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

REPORT, FINDINGS AS TO THE FACTS, AND ORDER

Pursuant to the provisions of the Federal Trade Commission Act, the Federal Trade Commission, on the 23d day of February 1940, issued and served its complaint in this proceeding upon respondents, Eileen-Joy Fashions, Inc., a corporation; Teen Frocks, Inc., a corporation; and Morris Scharf and Henry Dudkin, individually and as officers of Eileen-Joy Fashions, Inc. and Teen Frocks, Inc., and formerly copartners trading as Eileen-Joy Fashions, charging them with the use of unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce in violation of the provisions of said act. On February 29, 1940, the respondents filed an answer, and on March 18, 1940, respondents filed their supplemental answer in which supplemental answer respondents admitted all of the material allegations of fact set forth in said complaint, and waived all intervening procedure and further hearing as to said facts. Thereafter the proceeding regularly come on for final hearing before the Commission on the said complaint and the supplemental answer thereto, and the Commission having duly considered the matter and being now fully advised in the premises finds that this proceeding is in the interest of the public, and makes this its findings as to the facts and its conclusion drawn therefrom.

FINDINGS AS TO THE FACTS

PARAGRAPH 1. Respondent Morris Scharf whose address is Forest Hills, N. Y., and Henry Dudkin of 115 West One Hundred and Ninety-seventh Street, in the city and State of New York, were members of a copartnership for several years prior to December 24, 1938, known as Eileen-Joy Fashions. Eileen-Joy Fashions, Inc., is a corporation which was organized under the laws of the State of New York on the 22d day of July 1938, and has its office and principal place of business at 1375 Broadway in the city and State of New York. Teen Frocks, Inc., is a corporation which was organized under the laws of the State of New York in the year 1933, and has its office and principal place of business at 520 Eighth Avenue in the city of New York and State of New York. The respondent Morris Scharf is the president of Eileen-Joy Fashions, Inc., and at various times between the years 1933 and 1938 served as president of respondent Teen Frocks, Inc. The respondent Henry Dudkin is president of Teen Frocks, Inc., and at various times between the years 1933 and 1938 served as secretary and treasurer of respondent Teen Frocks, Inc. The former partnership of Eileen-Joy Fashions, composed of Henry Dudkin and Morris Scharf, was dissolved and discontinued on or about July 22, 1938, and at that time was succeeded by the corporate respondent, Eileen-Joy Fashions, Inc.

The two corporate respondents herein have been at all times since their organization dominated and controlled in their corporate affairs and activities by either one or both of the two respondents Morris Scharf and Henry Dudkin.

PAR. 2. Respondents are now and for several years last past have been engaged in the business of manufacturing, selling, and distributing various grades and types of dresses and other wearing apparel for women.

Respondents cause said products when sold to be transported from their places of business in the State of New York to the purchasers thereof located in various other States of the United States and in the District of Columbia.

Respondents maintain, and at all times mentioned herein have maintained, a course of trade in said products in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. Respondents are engaged in substantial competition in commerce among and between the various States of the United States and the District of Columbia with other corporations, partnerships, firms, and individuals engaged in the business of selling and distributing dresses and other articles of wearing apparel for women.

PAR. 4. In the course and conduct of their said business the respondents have engaged in the practice of falsely representing the constituent fiber or material of which the dresses and other articles of wearing apparel for women sold and distributed by them are made by means of false representations on tags, labels, price lists, and in various advertising material and by the failure to disclose the rayon content of certain of their products. In furtherance of this practice and for the purpose of inducing the purchase of their products and endeavoring to aid jobbers, retailers, and other purchasers of their products to procure customers' orders therefor, respondents have caused false statements and representations purporting to be descriptive of their products and the constituent fibers or materials thereof to be inserted in circulars, price lists, newspapers, and other publications distributed among purchasers and prospective purchasers of said products.

PAR. 5. Among and typical of the acts and practices above described, the respondents represent certain of their fabrics as being composed of silk, the product of the cocoon of the silkworm. As an example of this practice, respondents place on tags, labels, price lists, and in various advertising circulars and other printed matter the following terms or similar terms: "Taffeta," and "Pure Dye" as descriptive of the material from which their products are made. By these means respondents represent that the fabrics so described are composed of silk, the product of the cocoon of the silkworm, when in truth and in fact said fabrics are composed entirely of rayon.

PAR. 6. Over a period of many years the word "silk" has had and still has in the minds of the purchasing and consuming public generally a definite and specific meaning as being the product of the cocoon of the silkworm. Silk products for many years have held and still hold great public esteem and confidence for their preeminent qualities. Silk fiber has long been woven into a variety of fabrics and a number of distinctive terms have been applied to the fabrics resulting from the different types of weaving of silk fiber. Among such terms is the term "Taffeta." Dress goods and other items of women's wearing apparel designated, described and referred to as "Taffeta" have been for a long time and at the present time still are associated in the public mind with fabrics made from silk, the product of the cocoon of the silkworm. Whenever the term "Taffeta" is used to describe or refer to dress goods or other items of women's apparel and such term is not immediately accompanied by other terms or words adequately and accurately naming the fibers of which such materials are made, such term is understood by members of the purchasing public as desig-

nating, describing, and referring to materials made from silk, the product of the cocoon of the silkworm.

The words "Pure Dye" have been for a long time and still are associated in the minds of a substantial portion of the purchasing and consuming public with, and as designating or meaning, unweighted silk, the product of the cocoon of the silkworm, which has not been subjected to a metallic bath, and which contains no other materials except necessary dyeing and finishing materials.

PAR. 7. Another and typical act and practice engaged in by the respondents in falsely representing their products and fabrics, is placing on tags, labels, price lists and in various advertising circulars and other printed matter the following terms: "Celanese" and "Celanese Clairanese Taffeta," to designate or describe products composed entirely of rayon. In other cases, the labels and tags used by the respondents as well as representations contained in the various advertising do not indicate or disclose the constituent fibers or material of said products, which are in fact composed entirely of rayon.

PAR. 8. "Rayon" is a chemically manufactured fiber or fabric which may be manufactured so as to simulate silk and when so manufactured it has the appearance and feel of silk and is by the purchasing public practically indistinguishable from silk. By reason of these qualities, rayon, when manufactured to simulate silk and not designated as rayon, is readily believed and accepted by the purchasing public as being silk, the product of the cocoon of the silkworm.

The words "Celanese" and "Celanese Clairanese," when used either separately or in combination or conjunction with the word "Taffeta," or any other word or phrase of similar import or meaning, to designate or describe rayon, are not sufficiently well known and understood by the purchasing and consuming public to indicate to or inform them that the merchandise so described, designated or referred to is made of a material other than silk, to wit, rayon.

PAR. 9. By the use of the practice of furnishing false and misleading labels, tags, and other advertising material to jobbers, retailers, and other customers, and causing them to be placed upon the products which they purchase from respondents, and also by the use of labels, tags, and representations in various advertising which do not indicate or disclose the rayon content of its products, the respondents place in the hands of uninformed or unscrupulous jobbers and retail dealers a means and instrumentality whereby said dealers may and do deceive or mislead members of the purchasing public into the erroneous and mistaken belief that they are purchasing garments or material manufactured from silk, which are in fact manufactured and composed entirely of rayon.

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PAR. 10. The use by respondents of the aforesaid acts and practices including the failure to disclose that their products are made of rayon has had and now has the tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the erroneous and mistaken belief that respondents' products are composed of silk, the product of the cocoon of the silkworm. On account of this erroneous belief a number of the consuming and purchasing public purchase a substantial volume of respondents' products with the result that trade has been diverted unfairly to the respondents from their competitors who are also engaged in the sale and distribution in commerce between and among the various States of the United States and in the District of Columbia of various kinds and grades of dresses and wearing apparel for women, and who truthfully represent the constituent fibers or material of their products.

CONCLUSION

The aforesaid acts and practices of respondents as herein found are all to the prejudice and injury of the public and of respondent's competitors, and constitute unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce within the intent and meaning of the Federal Trade Commission Act.

ORDER TO CEASE AND DESIST

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission and the original and supplemental answer of respondents, in which supplemental answer respondents admit all the material allegations of fact set forth in said complaint, and state that they waive all intervening procedure and further hearing as to said facts, and the Commission having made its findings as to the facts and conclusion that said respondents have violated the provisions of the Federal Trade Commission Act.

It is ordered, That the respondents, Eileen-Joy Fashions, Inc., a corporation, and Teen Frocks, Inc., a corporation, and their officers, representatives, agents, and employees, and Morris Scharf and Henry Dudkin, individually and as officers of Eileen-Joy Fashions, Inc., and Teen Frocks, Inc., and their agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of dresses and other wearing apparel for women in commerce, as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the unqualified terms "satin," "taffeta," "crepe de chine," "crepe," or any other descriptive terms of similar import or meaning

indicative of silk to describe, designate or in any manner refer to any fabric or product which is not composed wholly of silk, the product of the cocoon of the silkworm, provided, however, that when said words or descriptive terms are used truthfully to designate or describe the type of weave, construction or finish, such words must be qualified by using in connection and conjunction therewith in letters of at least equal size and conspicuousness a word or words clearly and accurately naming or describing the fibers or materials from which said products are made.

2. Using the unqualified term "silk," or any other term or terms of similar import or meaning indicative of silk to describe or designate any fabric or product which is not composed wholly of silk the product of the cocoon of the silkworm, provided that in the case of a fabric or product composed in part of silk and in part of materials other than silk, such term or similar terms may be used as descriptive of the silk content when immediately accompanied by a word or words of equal conspicuousness accurately describing and designating such other materials in the order of their predominance by weight, beginning with the largest single constituent.

3. Using words "pure dye" or any other word or words of similar import or meaning to designate or describe fabrics which are not composed wholly of unweighted silk, the product of the cocoon of the silkworm, provided that in the case of a fabric or material composed in part of unweighted silk and in part of materials other than unweighted silk, such words may be used as descriptive of the unweighted silk content if there is used in immediate connection or conjunction therewith in letters of equal size and conspicuousness, a word or words accurately describing and designating each constituent fiber or material thereof in the order of its predominance by weight, beginning with the largest single constituent.

4. Advertising, offering for sale, or selling fabrics, garments, or other products, composed in whole or in part of rayon, without clearly disclosing the fact that such fabrics or products are composed of rayon, and when such fabrics or products are composed in part of rayon and in part of other fibers or materials, such fibers or materials including the rayon shall be named in the order of their predominance by weight, beginning with the largest single constituent.

It is further ordered, That the respondents shall, within 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.

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IN THE MATTER OF

LENOIR WOODFINISHING COMPANY, INC., AND ARTHUR
G. SPENCER, TRADING AS LENOIR SOLVENT COMPANYCOMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 23, 1914*Docket 4048. Complaint, Mar. 5, 1940—Decision, Apr. 17, 1940*

Where a corporation and an individual, who was president and sales manager thereof and formulated and controlled its sales methods, engaged in manufacture of paints, varnishes, stains, thinners, sealers, and other woodfinishing products, and in sale and distribution thereof to various woodfinishing concerns and furniture manufacturers at various points in the several States, in substantial competition with others engaged in sale of woodfinishing materials in commerce among the various States and in the District of Columbia—

Gave substantial sums of money and other things of value to officials and employees of customers or prospective customers, without said customers' knowledge or consent, for the purpose of inducing such officials or employees to purchase their woodfinishing materials for said customers' use or recommend purchase thereof, or as payments to said officials and employees for having induced such purchase or recommended such use, and thus offered to pay and paid or gave, without knowledge or consent of employer-customers involved, to finishing room foremen of customers or prospective customers, fixed fee of certain amount per drum for every drum of such materials purchased from them by said foremen's customer employers, and in other instances gave customer employees fixed percentages of purchase price of all materials thus bought by such customer employers;

With effect of diverting trade unfairly to them from their competitors engaged also in sale of woodfinishing materials, and who do not indulge in such acts and practices and with tendency and capacity so to do; to the injury of competition in commerce:

Held, That such acts and practices, under the circumstances set forth, were all to the prejudice of the public and competitors, and constituted unfair methods of competition in commerce and unfair and deceptive acts and practices therein.

Mr. Gerard A. Rault for the Commission.

Mr. Don A. Walser, of Lexington, N. C., for respondents.

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 Lenoir Woodfinishing Co., Inc., a corporation, and Arthur G. Spencer, individually and trading as Lenoir Solvent Co., hereinafter referred to as respondents,