

IN THE MATTER OF

HERBERT NEBENZAHL AND IRVING NEBENZAHL,
TRADING AS OLANDO MANUFACTURERS

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 4664. Complaint, Jan. 7, 1942—Decision, Mar. 9, 1942

Where two individuals, engaged in the manufacture and interstate sale and distribution of sweaters—

- (a) Represented through use of trade name "Kamelo" that their said products were composed in whole or in part of camel hair, and displayed on labels attached to said products such name superimposed in large, dark-faced type upon a camel, with the words "cotton and rayon" in much smaller and less conspicuous type on the borderline of the label where they might be easily hidden or covered in attaching the same to the garment;
- Notwithstanding the fact that the material from which garments in question were made was not composed, either in whole or in part, of camel hair—yarn and garments of which have long enjoyed a substantial public demand and preference for certain purposes—but were made of cotton fiber and of rayon which, when, as here, manufactured to simulate camel hair, has the appearance and feel thereof, and is readily accepted by the purchasing public as camel hair; and
- (b) Failed to disclose adequately the rayon content of their said sweaters, which, labeled as aforesaid, were so manufactured as to simulate camel hair and had the appearance and feel thereof;

With effect of misleading and deceiving a substantial portion of the purchasing public, and inducing it to purchase substantial quantities of said products:
Held, That such acts and practices, under the circumstances set forth, were all to the prejudice and injury of the public, and constituted unfair and deceptive acts and practices in commerce.

Mr. James M. Hammond 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 Herbert Nebenzahl and Irving Nebenzahl, individually and trading as Olando Manufacturers, 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. Respondents, Herbert Nebenzahl and Irving Nebenzahl, are individuals trading as Olando Manufacturers, with their

office and principal place of business located at 1318 Milwaukee Avenue, in the city of Chicago, State of Illinois.

PAR. 2. Respondents are now, and for more than one year last past have been, engaged in the business of manufacturing, selling and distributing sweaters. Respondents cause their said products, when sold, to be transported from their place of business in the State of Illinois to the purchasers thereof at their respective points of location 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 their said products in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of their business, and for the purpose of inducing the purchase of their said products, the respondents have engaged, and now engage, in the practice of falsely representing the constituent fiber or material of which their products are made. Such false representations have been, and are, made by means of statements and legends appearing on labels attached to said products, and otherwise, and by failing to disclose the rayon content of such products.

Typical of the aforesaid practice is the use by respondents of the trade name "Kamelo" to describe and designate their said products, and the appearance on the labels attached to said products of the trade name "Kamelo" superimposed, in large, dark-faced type, upon an outline or vignette of a camel. Below this illustration, but in much smaller and less conspicuous type on the borderline of the label, where they may be easily hidden or covered in the process of attaching the label to the garment, appear the words "cotton and rayon."

By the use of said labels, words and representations, the respondents have represented, and still represent, that the material of which their said products are made is composed in whole or in part of camel hair.

PAR. 4. The aforesaid representations of the respondents are false and misleading. In truth and in fact, the material of which are made the garments to which said labels have been, and are, attached have not been, and are not, composed either in whole or in part of camel hair. Said garments have been, and are, made entirely of cotton fiber and rayon.

PAR. 5. Camel hair for a long period of time has been woven into yarn, and there exists a substantial public demand and preference, for some purposes, of yarn and garments made in whole or in part of camel hair.

Rayon is a chemically manufactured fiber or fabric which may be so manufactured as to simulate camel hair, and when so manufactured has the appearance and feel of camel hair and is practically indistinguishable by the purchasing public from camel hair. By reason of these qualities, rayon, when manufactured to simulate camel hair and not designated as rayon, is readily believed to be camel hair, and products made of rayon are accepted by the purchasing public as being made of camel hair even though such products are not designated by terms representing or implying that they are camel hair. The rayon contained in respondents' products labeled "Kamelo" as aforesaid is so manufactured as to simulate camel hair and has the appearance and feel of camel hair.

PAR. 6. The acts and practices of the respondents, as herein set forth, including the aforesaid method of representing and labeling their said products, and the failure to disclose adequately the rayon content thereof, have had, and now have, the tendency and capacity to, and do, mislead and deceive a substantial portion of the purchasing public with respect to the constituent fiber or material of which respondents' products are made, and have had, and now have, the tendency and capacity to, and do, induce such portion of the purchasing public to purchase substantial quantities of respondents' products.

PAR. 7. The aforesaid acts and practices of respondents are all to the prejudice and injury of the public and constitute 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 January 7, 1942, issued and thereafter served its complaint in this proceeding upon respondents Herbert Nebenzahl and Irving Nebenzahl, individually, and trading as Olando Manufacturers, charging them with the use of unfair and deceptive acts and practices in commerce in violation of the provisions of said act. On January 26, 1942, the respondents filed their answer, in which answer they admitted all 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 came on for final hearing before the Commission on the said complaint and the 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. Respondents, Herbert Nebenzahl and Irving Nebenzahl are individuals trading as Olando Manufacturers, with their office and principal place of business located at 1318 Milwaukee Avenue, in the city of Chicago, State of Illinois.

PAR. 2. Respondents are now, and for more than one year last past have been, engaged in the business of manufacturing, selling and distributing sweaters. Respondents cause their said products, when sold, to be transported from their place of business in the State of Illinois to the purchasers thereof at their respective points of location 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 their said products in commerce among and between the various States of the United States and in the District of Columbia.

PAR. 3. In the course and conduct of their business, and for the purpose of inducing the purchase of their said products, the respondents have engaged, and now engage, in the practice of falsely representing the constituent fiber or material of which their products are made. Such false representations have been, and are, made by means of statements and legends appearing on labels attached to said products, and otherwise, and by failing to disclose the rayon content of such products.

Typical of the aforesaid practice is the use by respondents of the trade name "Kamelo" to describe and designate their said products, and the appearance on the labels attached to said products of the trade name "Kamelo" superimposed in large, dark-faced type upon an outline or vignette of a camel. Below this illustration, but in much smaller and less conspicuous type on the borderline of the label, where they may be easily hidden or covered in the process of attaching the label to the garment, appear the words "cotton and rayon."

By the use of said labels, words and representations, the respondents have represented, and still represent, that the material of which their said products are made is composed in whole or in part of camel hair.

PAR. 4. The aforesaid representations of the respondents are false and misleading. In truth and in fact, the material from which the garments to which said labels have been and are attached has not

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been, and is not, composed either in whole or in part of camel hair. Said garments have been, and are; made entirely of cotton fiber and rayon.

PAR. 5. Camel hair for a long period of time has been woven into yarn and there exists a substantial public demand and preference for some purposes of yarn and garments made in whole or in part of camel hair.

Rayon is a chemically manufactured fiber or fabric which may be so manufactured as to simulate camel hair and when so manufactured has the appearance and feel of camel hair and is practically indistinguishable by the purchasing public from camel hair. By reason of these qualities, rayon, when manufactured to simulate camel hair and not designated as rayon, is readily believed to be camel hair, and products made of rayon are accepted by the purchasing public as being made of camel hair even though such products are not designated by terms representing or implying that they are camel hair. The rayon contained in respondents' products labeled "Kamelo" as aforesaid is so manufactured as to simulate camel hair and has the appearance and feel of camel hair.

PAR. 6. The acts and practices of the respondents, as herein set forth, including the aforesaid method of representing and labeling their said products, and the failure to disclose adequately the rayon content thereof, have had and now have the tendency and capacity to, and do, mislead and deceive a substantial portion of the purchasing public with respect to the constituent fiber or material of which respondents' products are made, and have had and now have the tendency and capacity to, and do, induce many members of the purchasing public to purchase substantial quantities of respondents' products.

CONCLUSION

The aforesaid acts and practices of the respondents, as herein found, are all to the prejudice and injury of the public and constitute 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 answer of respondents, in which 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 the 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 Herbert Nebenzahl and Irving Nebenzahl, individually and trading as Olando Manufacturers, their employees, agents and representatives, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of sweaters or other garments in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing in any manner, or by any means, that respondents' products are composed of fibers or materials other than those of which such products are actually composed.

2. Using the word "Kamelo," or any word or words of similar import or meaning, alone or in conjunction or connection with the picture of a camel, to describe, designate, or in any way refer to, any product which is not composed entirely of camel hair; provided, however, that in the case of a product composed in part of camel hair and in part of other material, such as cotton or rayon, the words "Camel Hair" or "Kamelo," or other descriptive words, may be used to designate or describe the camel-hair content when immediately accompanied by a word or words in equal size and conspicuousness accurately describing or designating each constituent fiber or material thereof.

3. Advertising, offering for sale or selling fabrics, garments or other products composed in whole or in part of rayon, without 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 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.

IN THE MATTER OF

FELDER BROTHERS, INC., ABRAHAM FELDER, DAVID
FELDER AND LOUIS FELDER

COMPLAINT, FINDINGS, AND ORDER IN REGARD TO THE ALLEGED VIOLATION
OF SEC. 5 OF AN ACT OF CONGRESS APPROVED SEPT. 26, 1914

Docket 4555. Complaint, Aug. 5, 1941—Decision, Mar. 12, 1942

Where a corporation, and its three officers, who formulated and directed its policies and practices, engaged in the manufacture and interstate sale and distribution of leather goods and novelties—

Sold and distributed, prior to April 2, 1940, certain of their billfolds labeled "Genuine Leather Composition Barkhyde," and prior to February 15, 1941, certain of such products which they represented as being made of genuine leather;

Notwithstanding the fact their said products were manufactured largely of a nonleather material with which some leather fibers had been combined, which did not have the qualities of leather, and was not made from the hide of an animal;

With tendency and capacity to mislead and deceive a substantial portion of the purchasing public into the mistaken belief that such labels and representations were true, and of inducing it to purchase substantial quantities of such billfolds as a result of such belief:

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

Before *Mr. John W. Addison*, trial examiner.

Mr. Jesse D. Kash for the Commission.

Mr. Leon Savage, of New York City, 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 Felder Bros., Inc., a corporation, Abraham Felder, David Felder, and Louis Felder, individually and 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, Felder Bros., 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 583-587 Broadway, New York, N. Y.