

Decision

IN THE MATTER OF
DEXTER THREAD MILLS, INC., ET AL.

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

Docket 6306. Complaint, Mar. 3, 1955—Decision, July 18, 1956

Consent order requiring mail order sellers in Elgin, Ill., to cease representing falsely, through use of the words "Thread Mills" or "Mills" in their corporate or trade name and otherwise, that they were manufacturers of the needle craft items they sold to the general public, and that the merchandise was sold at mill prices; and representing falsely that they had been in business "Since 1820".

Mr. William R. Tincher for the Commission.

Frank E. & Arthur Gettleman, of Chicago, Ill., for respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

On March 3, 1955, the Federal Trade Commission issued its complaint in this proceeding, charging the Respondents with unfair and deceptive acts and practices and unfair methods of competition in commerce by the use of false, misleading and deceptive representations as to the prices at which they sell their needlecraft, and as to the duration and nature of their business organization, in violation of the Federal Trade Commission Act.

On March 29, 1955, Respondents submitted their answer to the complaint herein, and on May 22, 1956, with counsel supporting the complaint, entered into an Agreement Containing Consent Order To Cease And Desist, which was approved by the Director and Assistant Director of the Commission's Bureau of Litigation, and thereafter submitted to the Hearing Examiner for consideration.

Respondent Dexter Thread Mills, Inc., is identified in the agreement as an Illinois corporation, with its office and principal place of business located at 615 Page Avenue, Elgin, Illinois, and individual Respondents Sidney C. Fink and Ralph A. Fried, respectively, as president and secretary of the corporate respondent, having their office at the same place as the corporate respondent, the policies and practices of which they formulate, control and direct, and for the operation and management of which they are responsible.

Respondents admit all the jurisdictional facts alleged in the complaint, and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance therewith.

Respondents, in the agreement, waive any further procedure before the Hearing Examiner and the Commission; the making of findings

of fact or conclusions of law; and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance therewith. All parties agree that the answer heretofore filed by Respondents shall be considered as having been withdrawn, and for all legal purposes it will hereafter be so regarded; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the agreement; and that the agreement is for settlement purposes only, and does not constitute an admission by Respondents that they have violated the law as alleged in the complaint.

The agreement sets forth that the order to cease and desist contained therein shall have the same force and effect as if entered after a full hearing, and may be altered, modified or set aside in the manner provided for other orders; and that the complaint herein may be used in construing the terms of said order.

After consideration of the allegations of the complaint, the provisions of the order accompanying the complaint, and the provisions of the agreement and of the order contained therein, the Hearing Examiner is of the opinion that the order contained in the agreement will safeguard the public interest to the same extent as could be accomplished by an order issued after full hearing and all other adjudicative procedure waived in said agreement. Accordingly, in consonance with the terms of the aforesaid agreement, the Hearing Examiner accepts the Agreement Containing Consent Order To Cease And Desist; finds that the Commission has jurisdiction over the Respondents herein and over their acts and practices as alleged in the complaint; and finds that this proceeding is in the public interest. Therefore,

It is ordered, That Respondents Dexter Thread Mills, Inc., a corporation, also trading as Lee Ward Mills, Leeward Mills, or under any other name or names, and its officers, and Sidney C. Fink and Ralph A. Fried, 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 and distribution of merchandise to the general public, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "Thread Mills" or the word "Mills," or any other word or words of similar import or meaning, as a part of the corporate or trade name; or otherwise representing, directly or by implication, that Respondents, or any of them, manufacture the merchandise sold or offered for sale by them; except that nothing

59

Decision

contained herein shall be construed to prohibit Respondents from representing that the nylon yarn and nylon products, or any other products, sold by Respondents are manufactured by them when such is the case;

2. Representing, directly or by implication, that their merchandise is sold or offered for sale at mill prices;

3. Representing, directly or indirectly, that the business of Respondents was established prior to 1946.

DECISION OF THE COMMISSION AND ORDER TO FILE REPORT OF COMPLIANCE

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 18th day of July, 1956, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Dexter Thread Mills, Inc., a corporation, trading as Lee Ward Mills and also as Leeward Mills and Sidney C. Fink and Ralph A. Fried, individually and as officers of said corporation, 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 the order to cease and desist.

IN THE MATTER OF
SATTLER'S, INC.

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

Docket 6517. Complaint, Feb. 20, 1956—Decision, July 18, 1956

Consent order requiring a Buffalo, N.Y., furrier to cease violating the Fur Products Labeling Act by failing to label fur products as required by the Act; by advertisements in newspapers which failed to name the animals producing particular furs and which misrepresented savings and values possible to purchasers; and by failing to maintain adequate records on which such purported savings and values were based.

Mr. John T. Walker for the Commission.

Diebold & Millonzi, of Buffalo, N.Y., for respondent.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

On February 20, 1956, the Federal Trade Commission issued its complaint in this proceeding, charging the Respondent with unfair and deceptive acts and practices in commerce by misbranding and falsely and deceptively advertising its fur products, in violation of the Federal Trade Commission Act and of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder.

On May 17, 1956, Respondent and its counsel, and counsel supporting the complaint, entered into an Agreement Containing Consent Order To Cease And Desist, which was approved by the Director and Assistant Director of the Commission's Bureau of Litigation, and thereafter submitted to the Hearing Examiner for his consideration.

Respondent Sattler's, Inc. is identified in the agreement as a New York corporation, with its office and principal place of business located at 998 Broadway, Buffalo, New York.

Respondent admits all the jurisdictional facts alleged in the complaint and agrees that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations.

Respondent, in the agreement, waives any further procedure before the Hearing Examiner and the Commission; the making of findings of fact or conclusions of law; and all of the rights it may have to challenge or contest the validity of the order to cease and desist entered in accordance therewith. All parties agree that the