

IN THE MATTER OF
JAY'S MANUFACTURING COMPANY, INC., ET AL.

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

Docket 6591. Complaint, July 19, 1956—Decision, Dec. 12, 1956

Consent order requiring a manufacturer and its agent, in New York City and Hoboken, N.J., respectively, to cease violating the Wool Products Labeling Act through misbranding as "all wool," ladies' skirts which did not contain all wool; failing to label certain wool products as required; and falsely guaranteeing as not misbranded wool products manufactured by them.

Mr. R. D. Young, Jr. for the Commission.

Mr. Moses M. Cohen, of New York City, for respondents.

INITIAL DECISION BY JOSEPH CALLAWAY, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on July 19, 1956 charging them with violation of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated under the last mentioned act as set forth in said complaint. After the issuance of the complaint and the filing of their answer thereto all of the respondents, on September 24, 1956, entered into an agreement for a consent order to cease and desist from the practices complained of, which agreement disposes of all the issues in this proceeding without hearing. This agreement has been duly approved by the Assistant Director and the Director of the Bureau of Litigation and has been submitted to the undersigned, heretofore designated to act as hearing examiner herein for his consideration in accordance with Rule 3.25 of the Rules of Practice of the Commission.

By said agreement, respondents have admitted all of the jurisdictional facts alleged in the complaint and have agreed that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Said agreement provides further that respondents waive all further procedural steps before the hearing examiner or the Commission, including the making of findings of fact or conclusions of law and the right to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement. It has also been agreed that the answer of respondents to the complaint shall be considered as having

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been withdrawn and that the record herein shall consist solely of the complaint and said agreement, that the agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission, that said 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, that said order to cease and desist 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 of the Commission and that the complaint may be used in construing the terms of the order.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement containing the consent order, and it appearing that the agreement and the order cover all the allegations of the complaint and provide for appropriate disposition of this proceeding, the agreement and the order are hereby accepted and ordered filed upon becoming a part of the Commission's decision pursuant to Sections 3.21 and 3.25 of the Rules of Practice, and the hearing examiner accordingly makes the following findings for jurisdictional purposes and order:

1. The respondent, Jay's Manufacturing Company, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New Jersey. Respondent Sam Albala is president and respondent Louis Feinbaum is secretary-treasurer of said corporate respondent. These individual respondents formulate, direct and control the acts, policies and practices of the corporate respondent. The office and principal place of business of said corporate and individual respondents is located at 224 West 35th Street, New York, New York. Respondents Sam Albala and James Sutera are individuals and co-partners trading and doing business under the name and style of S and J Company, with their office and principal place of business located at 224 Grand Street, Hoboken, New Jersey. The S and J Company manufactures, labels and ships ladies' skirts as the agent of the corporate respondent, Jay's Manufacturing Company, Inc.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents herein. The complaint states a cause of action against said respondents under the Federal Trade Commission Act and under the Wool Products Labeling Act of 1939. This proceeding is in the public interest.

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It is ordered, That the respondents, Jay's Manufacturing Company, Inc., a corporation, and its officers; and Sam Albala and

Louis Feinbaum, individually and as officers of said corporation; and Sam Albala and James Sutera, individually and as co-partners trading and doing business as S and J Company, or under any other trade name, and their 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, or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, of ladies' skirts or other "wool products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, which products contain, purport to contain or in any way are represented to contain "wool," "reprocessed wool" or "reused wool" as those terms are defined in said Act, do forthwith cease and desist from:

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

2. Misbranding such products by 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:

- (a) The percentage of the total fiber weight of such wool product, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

- (b) The maximum percentage of the total weight of the wool product, of any non-fibrous loading, filling, or adulterating matter;

- (c) The name or registered identification number of the manufacturer of such wool product, or of one or more persons engaged in introducing such wool product into commerce, or in the offering for sale, sale, transportation, distribution, or delivery for shipment thereof in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939.

3. Furnishing false guaranties when there is reason to believe the wool products so guaranteed may be introduced, sold, transported or distributed in commerce.

Provided, That the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939, and provided further, that nothing contained in this order shall be construed as limiting any applicable provisions of said Act or the Rules and Regulations promulgated thereunder.

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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 12th day of December 1956, become the decision of the Commission; and, accordingly:

It is 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 the order to cease and desist.

IN THE MATTER OF
FLENDER AND BERGER, INC., ET AL.

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

Docket 6619. Complaint, Aug. 23, 1956—Decision, Dec. 14, 1956

Consent order requiring a furrier in New York City to cease violating the Fur Products Labeling Act by falsely identifying certain fur products on labels and invoices with respect to the names of animals producing the fur, and otherwise failing to conform to labeling and invoicing requirements.

Mr. R. D. Young, Jr. for the Commission.

Mr. Bernard Flender and *Mr. Irving Berger*, of New York City, for themselves and for the Corporate respondent.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with violation of the provisions of the Federal Trade Commission Act and of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder, by misbranding and falsely and deceptively invoicing certain of their fur products manufactured and offered for sale, sold, advertised, transported and distributed in commerce, subsequent to August 9, 1952, the effective date of the Fur Products Labeling Act.

After the issuance of the complaint, to which no answer was filed, respondents and counsel supporting the complaint entered into an Agreement Containing Consent Order To Cease And Desist, which was approved by the Director and the Assistant Director, Bureau of Litigation of the Commission, and thereafter transmitted to the Hearing Examiner for consideration.

The agreement states that respondent Flender and Berger, Inc. is a corporation organized and existing under and by virtue of the laws of the State of New York; that individual respondents Bernard Flender and Irving Berger are, respectively, President and Secretary of said corporate respondent; and that such individual respondents formulate, direct and control the acts, practices and policies of the corporate respondent; all the respondents having their office and principal place of business located at 259 West 30th Street, New York, New York.

The agreement provides, among other things, that respondents admit all the jurisdictional facts alleged in the complaint and agree