

IN THE MATTER OF
THE SPECIALTY HOUSE, INC., ET AL.

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

Docket 6528. Complaint, Mar. 12, 1956—Decision, Mar. 11, 1958

Consent order requiring importers in New York City to cease selling silk scarves manufactured in Japan which were so highly flammable as to be dangerous when worn.

Mr. Brockman Horne for the Commission.

Green & Yanoff, of Newark, N.J., for respondents.

INITIAL DECISION BY JAMES A. PURCELL, HEARING EXAMINER

The complaint in this proceeding, issued March 12, 1956, charges the respondents The Specialty House, Inc., a corporation existing and doing business by virtue of the laws of the State of New York, and Samuel Davis, Mortimer L. Taylor, Philip Kures, and William Yanoff, individually and as officers of the respondent corporation with violation of the Federal Trade Commission Act and of the Flammable Fabrics Act and the rules and regulations promulgated thereunder, in connection with the importation, purchasing, sale, offering for sale and transporting, in interstate commerce, of articles of wearing apparel which articles were so highly flammable as to be dangerous when worn by individuals.

After the issuance of said complaint, respondents entered into an agreement for consent order with counsel in support of the complaint, disposing of all of the issues in this proceeding, which agreement was duly approved by the director and the assistant director of the Bureau of Litigation. It was expressly provided in said agreement that the signing thereof is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

By the terms of said agreement, the respondents admitted all of the jurisdictional allegations of the complaint and agreed that the record herein may be taken as though the Commission had made findings of jurisdictional facts in accordance with such allegations. By said agreement the parties expressly waived a hearing before the hearing examiner or the Commission, the making of findings of fact or conclusions of law by the hearing examiner or the Commission, the filing of exceptions and oral argument before the Com-

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mission, and all further and other procedure before the hearing examiner or the Commission to which the respondents may be otherwise entitled under the Federal Trade Commission Act or the rules of practice of the Commission.

By said agreement, respondents further agreed that the order to cease and desist issued in accordance with said agreement shall have the same force and effect as though made after a full hearing, presentation of evidence and findings and conclusions thereon, and specifically waived any and all right, power or privilege to challenge or contest the validity of such order.

It was further provided that said agreement, together with the complaint, shall constitute the entire record herein; that the complaint herein may be used in construing the terms of the order issued pursuant to said agreement, and that said order may be altered, modified or set aside in the manner provided by statute for other orders of the Commission.

Said agreement recites that respondent The Specialty House, Inc., is a corporation existing under and by virtue of the laws of the State of New York; that respondents Samuel Davis, Mortimer L. Taylor, Philip Kures, and William Yanoff are individuals and are, respectively, president, vice president, vice president, and treasurer-secretary of the corporate respondent and, as such, formulate, direct and control the policies, acts and practices of said corporation. The office and principal place of business of all respondents is located at No. 48 West 38th Street, New York, N.Y.

The hearing examiner has considered such agreement and the order therein contained, and, it appearing that said agreement and order provides for an appropriate disposition of this proceeding, the same is hereby accepted and is ordered filed upon becoming part of the Commission's decision in accordance with sections 3.21 and 3.25 of the rules of practice, and in consonance with the terms of said agreement, the hearing examiner finds that the Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of all the respondents named herein; that this proceeding is in the public interest and issues the following order:

ORDER

It is ordered, That respondent The Specialty House, Inc., a corporation, and its officers, and respondents Samuel Davis, Mortimer L. Taylor, Philip Kures, and William Yanoff, 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 article of wearing apparel, 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.

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 11th day of March 1958, 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.

Decision

IN THE MATTER OF

A. E. LEWIS & CO. INC., ET AL.

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

Docket 6577. Complaint, June 27, 1956—Decision, Mar. 11, 1958

Consent order requiring sellers in New York City to cease selling cutlery, assembled by them from steel blades stamped "made in Sheffield, England" with handles made in Japan, some copied from English patterns—the word "Japan" on the end of the handle concealed by the assembling process—without disclosing the Japanese origin of the handles.

Mr. Morton Nesmith and Mr. Berryman Davis for the Commission.
Mr. Abraham J. Efrein, of New York, N.Y., for Respondents.

INITIAL DECISION BY ABNER E. LIPSCOMB, HEARING EXAMINER

The complaint herein was issued on June 27, 1956, charging respondents with false, misleading, and deceptive practices, in that they have failed to disclose the origin of substantial parts of their cutlery, and have misrepresented such cutlery, in its entirety, as a product of England, in violation of the Federal Trade Commission Act.

On December 30, 1957, respondents, their counsel, and counsel supporting the complaint herein entered into an agreement containing consent order to cease and desist, which was approved by the director and the assistant director of the Commission's Bureau of Litigation, and thereafter submitted to the hearing examiner for consideration.

The agreement identifies Respondent A. E. Lewis & Co., Inc., as a New York corporation, with its office and principal place of business located at 304 E. 23d Street, New York, N.Y., and respondents Alexander E. Lewis, Arthur Vinecour, and Morris Goodis as officers thereof, having the same address as the corporate respondent.

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 with such allegations.

Respondents waive any further procedure before the hearing examiner and the Commission; the making of findings of fact or conclusions of law; and all the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement. All parties agree that the record