

Decision

IN THE MATTER OF
CHELSEA SPORTSWEAR, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 6951. Complaint, Nov. 22, 1957—Decision, Apr. 1, 1958*

Consent order requiring a concern in New York City to cease selling rayon fabrics made to simulate wool, without adequately disclosing the true fiber content, and to cease placing in the hands of others for use in conjunction with said fabrics and garments made therefrom, tags, labels, and advertising matter which failed to disclose the rayon content.

Mr. Michael J. Vitale and Mr. Thomas A. Ziebarth for the Commission.
Mr. E. Fulton Brylawski, of Washington, D.C., for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

The complaint in this proceeding issued November 22, 1957, charges the respondents Chelsea Sportswear, Inc., a corporation, located at 525 Seventh Avenue, New York, N.Y., and Nat Cohen, individually and as an officer of said corporation, located at the same address as the corporate respondent, with violation of the provisions of the Federal Trade Commission Act in the manufacture, promotion, sale and distribution of garments made of certain rayon fabrics.

After the issuance of the complaint, respondents Chelsea Sportswear, Inc., a corporation, and Nat Cohen, individually and as an officer of said corporation, entered into an agreement containing consent order to cease and desist with counsel in support of the complaint, disposing of all the issues in this proceeding, which agreement was duly approved by the director and 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 said respondents admitted all the jurisdictional facts alleged in the complaint and agreed that the record herein may be taken as if the Commission had made findings of jurisdictional facts in accordance with the allegations.

By said agreement, the parties expressly waived any further procedural steps 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.

Respondents further agreed that the order to cease and desist, issued in accordance with said agreement, shall have the same force and effect as if made after a full hearing.

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 prescribed by the statute for orders of the Commission.

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 the respondents named herein, that this proceeding is in the interest of the public, and issues the following order:

ORDER

It is ordered, That respondents Chelsea Sportswear, Inc., a corporation, and its officers, and Nat Cohen, individually, and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of garments made from fabrics composed in whole or in part of rayon, do forthwith cease and desist from:

1. Failing to set forth the rayon content thereof in a clear and conspicuous manner on invoices, labels and in advertising matter concerning such products;
2. Supplying to or placing in the hands of others for use in designating or identifying respondents' said garments, tags, labels or advertising matter which are not in accordance with paragraph 1 above.

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 1st day of April 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.

IN THE MATTER OF
MAURICE COHEN ET AL. TRADING AS MASTER
FURRIERS

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION AND THE FUR PRODUCTS LABEL-
ING ACTS

Docket 6918. Complaint, Oct. 17, 1957—Decision, Apr. 2, 1958

Consent order requiring furriers in Duluth, Minn., to cease violating the Fur Products Labeling Act by failing to invoice and label fur products as required; by advertising in newspapers which failed to name the animal producing certain furs, represented prices as reduced from regular prices which were in fact fictitious, and failed to give a designated time of comparative prices; and by failing to maintain adequate records disclosing the facts on which such pricing claims were based.

Mr. Thomas A. Ziebarth supporting the complaint.

Mr. Robert J. Karon, of Duluth, Minn., for respondents.

INITIAL DECISION OF JOHN LEWIS, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on October 17, 1957, charging them with having violated the Fur Products Labeling Act and the rules and regulations issued thereunder, and the Federal Trade Commission Act, through the misbranding of certain fur products and the false and deceptive invoicing and advertising thereof. After being served with said complaint, respondents appeared by counsel and filed their answer thereto. Thereafter the parties entered into an agreement, dated January 31, 1958, containing a consent order to cease and desist purporting to dispose of all this proceeding as to all parties. Said agreement, which has been signed by both respondents, by counsel for said respondents, and by counsel supporting the complaint, and approved by the director and assistant director of the Commission's Bureau of Litigation, has been submitted to the above-named hearing examiner for his consideration, in accordance with section 3.25 of the Commission's rules of practice for adjudicative proceedings.

Respondents, pursuant to the aforesaid agreement, have admitted all the jurisdictional allegations of the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations. Said agreement further provides that respondents waive any further procedural steps before the hearing examiner and the Commission, the making of