

IN THE MATTER OF
CRAFTEX COMFORT PRODUCTS, INC., ET AL.

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

Docket 7045. Complaint, Jan. 16, 1958—Decision, July 30, 1958

Consent order requiring manufacturers in Brooklyn, N.Y., to cease violating the Wool Products Labeling Act by labeling as "Reprocessed All Wool," bed comforters which contained substantial amounts of fibers other than wool, and by printing the word "reprocessed" in smaller and less conspicuous letters than the other words, and by failing to comply in other respects with the labeling requirements of the Act; and to cease violating the Federal Trade Commission Act by imprinting on the plastic covers of the bed comforters a fictitious price greatly in excess of the usual retail price and unauthorized facsimiles of "seals of approval" of Good Housekeeping and the American Medical Association, and by invoicing the bed comforters falsely as "wool."

Mr. Charles W. O'Connell supporting the complaint.

Mr. Barnett Warner, Princeton, N.J., for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER,
HEARING EXAMINER

On January 16, 1958, the Federal Trade Commission issued a complaint alleging that Craftex Comfort Products, Inc., Purofied Down Products Corporation, corporations, and Samuel Puro and Louis Puro, individually and as officers of said corporations, hereinafter called respondents, had violated the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939, and the Rules and Regulations promulgated under the last-named Act by misbranding, mislabeling, falsely and deceptively pricing and invoicing their wool products.

After issuance and service of the complaint, the respondents, their counsel and counsel supporting the complaint entered into an agreement for a consent order. The order disposes of the matters complained about. The agreement has been approved by the director and assistant director of the Bureau of Litigation.

The pertinent provisions of said agreement are as follows: Respondents admit all jurisdictional facts; the complaint may be used in construing the terms of the order; the order shall have the same force and effect as if entered after a full hearing and the said agreement shall not become a part of the official

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record of the proceeding unless and until it becomes a part of the decision of the Commission; the record herein shall consist solely of the complaint and the agreement; respondents waive the requirement that the decision must contain a statement of findings of fact and conclusions of law; respondents waive further procedural steps before the hearing examiner and the Commission, and the order may be altered, modified, or set aside in the manner provided by statute for other orders; respondents waive any right to challenge or contest the validity of the order entered in accordance with the agreement and the signing of 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.

The undersigned hearing examiner having considered the agreement and proposed order and being of the opinion that the acceptance thereof will be in the public interest, hereby accepts such agreement, makes the following jurisdictional findings, and issues the following order:

JURISDICTIONAL FINDINGS

1. Respondents Craftex Comfort Products, Inc., and Purofied Down Products Corporation, are corporations, organized, existing and doing business under and by virtue of the laws of the State of New York. Their offices and places of business are located at 63-02 59th Avenue, Maspeth, Brooklyn, N.Y. and 1027 Metropolitan Avenue, Brooklyn, N.Y., respectively.

2. Respondent Louis Puro is president of both corporate respondents with his office and place of business located at 63-02 59th Avenue, Maspeth, Brooklyn, N.Y., Respondent Samuel Puro is secretary and treasurer of both corporate respondents and his office and place of business is located at 1027 Metropolitan Avenue, Brooklyn, N.Y.

3. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents and the proceeding is in the public interest.

ORDER

It is ordered, That respondents Craftex Comfort Products, Inc., and Purofied Down Products Corporation, corporations, and their respective officers and respondents Samuel Puro and Louis Puro, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or

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through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or 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 wool bed comforters 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 as containing "wool," "reprocessed wool" or "reused wool," as those terms are defined in said Act, do forthwith cease and desist from misbranding such products by:

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

2. Minimizing or rendering inconspicuous the information required under the Wool Products Labeling Act on the stamp, tag, label or other mark of identification by the use of small type or by failing to use letters of equal size and conspicuousness.

3. 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 such wool product, of any non-fibrous loading, filling, or adulterating matter;

- (c) The name or the 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.

It is further ordered, That Craftex Comfort Products, Inc., and Purofied Down Products Corporation, corporations, and their respective officers and respondents Samuel Puro and Louis Puro, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of wool bed comforters or any other products

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or materials in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from directly or indirectly:

1. Representing in any manner, that any amount is the retail value of an article of merchandise when it is in excess of the price at which said merchandise is usually and regularly sold at retail in the trade territory in which it is offered for sale.

2. Using the seals of either Good Housekeeping magazine or Today's Health magazine in connection with any product, or representing, in any manner, that a product has been approved by either of said magazines, or by any other magazine, unless such product has been approved for advertising in said magazines and the use of the seal has been duly authorized.

3. Misrepresenting the constituent fibers of which their products are composed, or the percentages or amounts thereof, in sales invoices, or in any other manner.

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 30th day of July 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.

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IN THE MATTER OF
FELDMAN & LOWE, INC., ET AL.

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

Docket 7107. Complaint, Apr. 3, 1958—Decision, Aug. 2, 1958

Consent order requiring a furrier in New York City to cease violating the Fur Products Labeling Act by failing to reveal on labels and invoices that the fur in certain products was dyed, and to comply in other respects with the labeling requirements of the Act.

Terral A. Jordan, Esq., for the Commission.

Manfred H. Benedek, Esq., for respondents.

INITIAL DECISION BY ROBERT L. PIPER,
HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on April 3, 1958, charging them with having violated the Fur Products Labeling Act, the rules and regulations issued thereunder, and the Federal Trade Commission Act, by misbranding and falsely labeling and invoicing their fur products. Respondents appeared by counsel and entered into an agreement, dated June 11, 1958, containing a consent order to cease and desist, disposing of all the issues in this proceeding without hearing, which agreement has been duly approved by the director of the Bureau of Litigation. Said agreement has been submitted to the undersigned, heretofore duly designated to act as hearing examiner herein, for his consideration in accordance with §3.25 of the Rules of Practice of the Commission.

Respondents, pursuant to the aforesaid agreement, have admitted all of the jurisdictional allegations of the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been made duly in accordance with such allegations. Said agreement further provides 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 such agreement. It has also been agreed 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