

IN THE MATTER OF
KULIN WASTE CO. ET AL.

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

Docket 6983. Complaint, Dec. 13, 1957—Decision, Oct. 18, 1958

Consent order requiring a manufacturer in Worcester, Mass., to cease violating the Wool Products Labeling Act by identifying woolen stocks which contained substantial quantities of reprocessed or reused wool, as "90% wool, 5% rayon and 5% other fibers" in invoices and shipping memoranda.

Mr. Daniel T. Coughlin and Mr. Henry Stringer for the Commission.

Mr. Samuel Kunen, and Mr. Sydney Litter, of Marlboro, Mass., for Kulin Waste Co., Louis Kulin and Abraham Kulin.

INITIAL DECISION AS TO CERTAIN RESPONDENTS
BY WILLIAM L. PACK, HEARING EXAMINER

The complaint in this matter charges the respondents with violating the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder, and the Federal Trade Commission Act, in connection with the sale of wool stock. An agreement for disposition of the proceeding as to all respondents except Michael Silver has now been entered into by such respondents and their attorneys and counsel supporting the complaint. The term "respondents" as used hereinafter will not include Michael Silver.

The agreement provides, among other things, that respondents admit all of the jurisdictional allegations of the complaint; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and agreement; that the inclusion of findings of fact and conclusions of law in the decision disposing of this matter is waived, together with any further procedural steps before the hearing examiner and the Commission; that the order hereinafter set forth may be entered in disposition of the proceeding, such order to have the same force and effect as if entered after a full hearing, respondents specifically waiving any and all rights to challenge or contest the validity of such order; that the order may be altered, modified, or set aside in the manner provided for other orders of the Commission; that the complaint may be used in

construing the terms of the order; 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 hearing examiner having considered the agreement and proposed order and being of the opinion that they provide an adequate basis for appropriate disposition of the proceeding, the agreement is hereby accepted, the following jurisdictional findings made, and the following order issued:

1. Respondent, Kulin Waste Co. (erroneously referred to in the complaint as Kulin Waste Co., Inc.) is a corporation existing and doing business under the laws of the Commonwealth of Massachusetts. Individual respondents, Louis Kulin and Abraham Kulin are president and treasurer, respectively, of said corporation. The office and principal place of business of all respondents is located at 31 Mulberry Street, Worcester, Mass.

2. 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 the respondents, Kulin Waste Co. (erroneously referred to in the complaint as Kulin Waste Co., Inc.), a corporation, and its officers, and Louis Kulin and Abraham Kulin, 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 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 wool stock 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 or included therein;
2. Falsely or deceptively identifying such products as to the character or amount of the constituent fibers contained or in-

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cluded therein on sales invoices or shipping memoranda applicable thereto;

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 per centum 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 per centum or more and (5) the aggregate of all other fibers;

(b) The maximum percentages of the total weight, of such wool product of any nonfibrous 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.

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 October 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Kulin Waste Co. (erroneously referred to in the complaint as Kulin Waste Co., Inc.), a corporation, and Louis Kulin and Abraham Kulin, 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.

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IN THE MATTER OF
SYDCO INDUSTRIES, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 7030. Complaint, Jan. 14, 1958—Decision, Oct. 18, 1958*

Consent order requiring a jobber in New York City of small household electrical appliances including percolators, blenders, and fryer-cookers, to cease representing falsely in advertising matter, on labels, price tags, and imprinted cartons for purchasers' use in retail sale, that exaggerated and fictitious prices were the usual retail selling prices; through use of the Good Housekeeping seal, that certain of their appliances had been approved or guaranteed by Good Housekeeping Magazine; through prominent use of the names "General Electric" and "Westinghouse," that certain of their products were manufactured by those companies; that their said appliances had been advertised in Life Magazine; and that their percolators and blenders were trimmed in 24 karat "Warranted Gold Plate."

Mr. Ames W. Williams supporting the complaint.

Mr. Morris Rosenzweig, of New York, N.Y., for respondents.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On January 14, 1958, the Federal Trade Commission issued a complaint alleging that Sydco Industries, Inc., a corporation, Morton Springer, Sam Springer, and Syd Springer, individually and as officers of said corporation, hereinafter referred to as respondents, had violated the provisions of the Federal Trade Commission Act by making false, misleading and deceptive statements and representations concerning their products, small household electrical appliances, including percolators, blenders and fryer-cookers.

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 acting 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 record of the proceeding unless and until it becomes a part of