

IN THE MATTER OF
BANK STREET CLOTHES, INC., ET AL.

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

Docket 7198. Complaint, July 18, 1958—Decision, Dec. 3, 1958

Consent order requiring manufacturers in New York City to cease violating the Wool Products Labeling Act by falsely labeling men's suits as "All Wool Exclusive of Ornamentation"; by improperly describing a portion of the fiber content as "worsted"; by failing in other respects to conform to the labeling requirements of the Act; and by furnishing false guaranties that certain of their products were not misbranded.

Mr. Garland S. Ferguson for the Commission.
Respondents, for themselves.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with misbranding certain of their wool products, and with furnishing false guaranties that said products were not misbranded, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act.

After the issuance of the complaint, respondents and counsel supporting the complaint entered into an agreement containing consent order to cease and desist, which was approved by the director and an acting assistant director of the Commission's Bureau of Litigation, and thereafter transmitted to the hearing examiner for consideration.

The agreement states that respondent Bank Street Clothes, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 162 Fifth Avenue, New York, N.Y., and that individual respondents Jack Lifshitz, Seymour Lindell and Jerry Lindell are officers of said corporate respondent and formulate, direct and control the acts, practices and policies thereof, their address being the same as that of the corporate respondent.

The agreement provides, among other things, that the 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 al-

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legations; that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this 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 the complaint may be used in construing the terms of the order agreed upon, which may be altered, modified or set aside in the manner provided for other orders; 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; and that the order set forth in the agreement and hereinafter included in this decision shall have the same force and effect as if entered after a full hearing.

Respondents waive any further procedural steps before the hearing examiner and the Commission, the making of findings of fact or conclusions of law, and all of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

The order agreed upon fully disposes of all the issues raised in the complaint, and adequately prohibits the acts and practices charged therein as being in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act. Accordingly, the hearing examiner finds this proceeding to be in the public interest, and accepts the agreement containing consent order to cease and desist as part of the record upon which this decision is based. Therefore,

It is ordered, That respondents Bank Street Clothes, Inc., a corporation, and its officers, and Jack Lifshitz, Seymour Lindell and Jerry Lindell, individually and as officers of said corporation, and respondents' 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 men's suits or other wool products, as such products are defined in and subject to said Wool Products Labeling Act, do forthwith cease and desist from:

A. Misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling or other-

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wise identifying such products as to the character or amount of the constituent fibers included therein;

2. Failing to securely affix 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 products, 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 products 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;

3. Using a word or words to describe the fiber content of wool products on the tag, label or other means of identification attached to such product which is not the common generic name of the fiber described;

4. Failing to attach a stamp, tag, label or other means of identification containing the information required under §4(a)(2) of the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder, to each unit of multiple wool products sold in combination;

5. Failing to set forth on the stamp, tag, label or other means of identification attached to wool products, all items and parts of the information required under §4(a)(2) of the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder, consecutively and in immediate connection with each other;

B. Furnishing false guaranties that wool products are not misbranded when there is reason to believe that the wool products so guaranteed may be introduced into commerce or sold, transported or distributed in commerce.

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

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3d day of December 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Bank Street Clothes, Inc., a corporation, and Jack Lifshitz, Seymour Lindell and Jerry Lindell, 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.

IN THE MATTER OF
HARBOR HILLS SPORTSWEAR, INC., ET AL.

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

Docket 7253. Complaint, Sept. 11, 1958—Decision, Dec. 3, 1958

Consent order requiring manufacturers in New York City to cease violating the Wool Products Labeling Act by falsely labeling and invoicing as "silk and worsted" or "Made in Italy," men's slacks made of cloth which contained other fibers than silk and wool or contained no wool at all, and were manufactured in the United States; by failing to conform to other labeling requirements of the Act; and by furnishing false guaranties that their wool products were not misbranded.

Mr. Thomas F. Howder for the Commission.

Mr. Francis M. DeCaro, of New York, N.Y., for respondents.

INITIAL DECISION BY J. EARL COX, HEARING EXAMINER

The complaint charges respondents with misbranding certain of their wool products, furnishing false guaranties that said products were not misbranded, and making false and misleading statements concerning such products on sales invoices and shipping memoranda, representing that said products were composed of silk and wool, and were made in Italy, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and of the Federal Trade Commission Act.

After the issuance of the complaint, respondents, their counsel, and counsel supporting the complaint entered into an Agreement Containing Consent Order to Cease and Desist, which was approved by the director and an assistant director of the Commission's Bureau of Litigation, and thereafter transmitted to the hearing examiner for consideration.

The agreement states that respondent Harbor Hills Sportswear, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 928 Broadway, New York, N.Y., and that individual respondents David Platoff and Herbert Platoff are president and vice president, respectively, of said corporate respondent and are located at the same address.

The agreement provides, among other things, that respondents