

Decision

IN THE MATTER OF
LADD KNITTING MILLS, INC., ET AL.CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT*Docket 7216. Complaint, Aug. 4, 1958—Decision, Dec. 24, 1958*

Consent order requiring two affiliated manufacturers and sellers of women's sweaters, with offices in Reading, Pa., and New York City, to cease advertising falsely in magazines and trade papers and on attached tags and labels, that their orlon sweaters would "not pill or fuzz" or were "Pill Proofed."

Mr. Garland S. Ferguson supporting complaint.

Respondents, Pro se.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On August 4, 1958, the Federal Trade Commission issued a complaint charging Ladd Knitting Mills, Inc., a corporation and Talbott Knitting Mills, Inc.,¹ a corporation and Lester C. Laufbahn, Nancy Laufbahn, and Stephen H. Lewis, individually and as officers of said corporations, hereinafter referred to as respondents, with misleading and deceptive statements and representations in advertising their orlon sweaters.

After issuance and service of the complaint, the respondents, 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 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

¹ Now known as Talbott, Inc.

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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. Corporate respondent Ladd Knitting Mills, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of Pennsylvania, with its office and principal place of business located at North Sixth Street and Heisters Lane, Reading, Pa.

2. Corporate respondent Talbott, Inc., formerly Talbott Knitting Mills, 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 1407 Broadway, New York, N.Y., and with offices also at North Sixth Street and Heisters Lane, Reading, Pa.

Individual respondents Lester C. Laufbahn, Nancy Laufbahn, and Stephen H. Lewis are officers of said corporations. They formulate, direct and control the policies and practices of the corporate respondents. The address of all individual respondents is the same as that of the corporate respondent, Ladd Knitting Mills, Inc.

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 Ladd Knitting Mills, Inc., a corporation, and its officers; Talbott, Inc., a corporation, and its officers and Lester C. Laufbahn, Nancy Laufbahn, and Stephen H. Lewis, individually and as officers of said corporations, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of women's orlon sweaters

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or any other product made of orlon, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from: *

Representing, directly or by implication, that said products are pill proofed, pill proof or that they will not pill.

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 24th day of December 1958, become the decision of the Commission; and, accordingly:

It is ordered, That respondents Ladd Knitting Mills, Inc., a corporation, and its officers; Talbott, Inc., a corporation, and its officers and Lester C. Laufbahn, Nancy Laufbahn, and Stephen H. Lewis, 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
JEHIEL HOCHERMAN DOING BUSINESS AS
J. H. MANUFACTURING COMPANY

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

Docket 7261. Complaint, Sept. 17, 1958—Decision, Dec. 24, 1958

Consent order requiring a manufacturer in New York City to cease violating the Wool Products Labeling Act by tagging as "40-50% rep. wool," blankets which contained substantially less woolen fibers than thus represented; by improperly describing a portion of the fiber content of sleeping bags on labels as "Napper"; and by failing to comply with other labeling requirements of the Act.

Mr. S. F. House supporting complaint.
Respondent, Pro se.

INITIAL DECISION BY JOHN B. POINDEXTER, HEARING EXAMINER

On September 17, 1958, the Federal Trade Commission issued a complaint charging that Jehiel Hocherman, an individual doing business as J. H. Manufacturing Company, hereinafter referred to as respondent, has violated the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated under said Wool Products Labeling Act by misbranding the wool products which he manufactures.

After issuance and service of the complaint, the respondent 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: Respondent admits 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 the decision of the Commission; the record herein shall consist solely of the complaint and the agreement; respondent waives the requirement that the decision must contain a statement of findings of fact and conclusions of law; respondent waives further procedural steps before the hearing examiner and the Commission,