

IN THE MATTER OF
DRESDEN MILLS, INC., ET AL.

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

Docket 7316. Complaint, Nov. 26, 1958—Decision, Apr. 1, 1959

Consent order requiring a manufacturer in Dresden, Ohio, to cease violating the Wool Products Labeling Act by tagging as "all reprocessed wool," bolts of fabric which contained a substantial quantity of nonwool fibers, and by failing to label certain wool products as required.

Mr. Alvin D. Edelson supporting the complaint.

Respondents, *pro se*.

INITIAL DECISION BY JOHN LEWIS, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on November 26, 1958, charging them with having violated the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, and the Federal Trade Commission Act, through the misbranding of certain wool products and misrepresenting the fiber content of certain of their products on invoices. After being served with said complaint, respondents appeared and entered into an agreement containing consent order to cease and desist, dated January 24, 1959, purporting to dispose of all of this proceeding as to all parties. Said agreement, which has been signed by all 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 facts alleged in the complaint, and have 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 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

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accordance with said agreement. It has been agreed that the order to cease and desist issued in accordance with said agreement shall have the same force and effect as if entered after a full hearing and that the complaint may be used in construing the terms of said order. It has also been agreed that the aforesaid 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.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement containing consent order, and it appearing that the order provided for in said agreement covers all of the allegations of the complaint and provides for an appropriate disposition of this proceeding as to all parties, said agreement is hereby accepted and is ordered filed upon this decision's becoming the decision of the Commission pursuant to Sections 3.21 and 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings, and the hearing examiner, accordingly, makes the following jurisdictional findings and order:

1. Respondent Dresden Mills, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Ohio with its principal place of business at Chestnut Street, Dresden, Ohio.

Individual respondents Harry A. Groban and Nathan Groban are president, and vice president-secretary, respectively, of said corporate respondent. The individual respondents have their business address at the same address as that of the corporate respondent.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents hereinabove named. The complaint states a cause of action against said respondents under the Wool Products Labeling Act of 1939 and the Federal Trade Commission Act, and this proceeding is in the interest of the public.

ORDER

It is ordered, That respondents, Dresden Mills, Inc., a corporation, and its officers, and Harry A. Groban and Nathan Groban, individually and as officers of the 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

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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 products" as such products are defined in and subject to the Wool Products Labeling Act of 1939, 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. 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 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.

It is further ordered, That respondents, Dresden Mills, Inc., a corporation, and its officers, and Harry A. Groban and Nathan Groban, individually and as officers of the 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 of textile fabrics, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the constituent fibers of which their products are composed or the percentages thereof in invoices, shipping memoranda 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 Prac-

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tice, the initial decision of the hearing examiner shall, on the 1st day of April 1959, 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
EMPIRE AMEREX PRODUCTS CORP.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket 7278. Complaint, Oct. 14, 1958—Decision, Apr. 2, 1959

Consent order requiring a Chicago distributor of a variety of products including steak knives, carving sets, deep fryers, electric skillets, fans, and stainless steel flatware, to cease misrepresenting retail prices by printing fictitious and exaggerated amounts on attached labels and on containers of some of its products; misrepresenting the country of origin of cutlery products by so assembling imported tines that the word "Japan" stamped on the end was entirely covered, and packaging them for resale along with knives having blades made in England, in cartons bearing the words "Made in Sheffield, England"; packaging products equipped with Westinghouse parts in cartons bearing the words "Westinghouse Thermostat" so as to imply association of the entire product with the Westinghouse Company, boxing unapproved products in cartons printed with the "Seal of Approval from Underwriter's Laboratories"; and printing the words "IN 24 KT. GOLD PLATED" deceptively on boxes containing certain cutlery.

Franklin A. Snyder, Esq., for the Commission.

Morrill, Koutsky and Baum, by Arthur W. Baum, Esq., of Chicago, Ill., for respondent.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondent on October 14, 1958, charging it with having violated the Federal Trade Commission Act by misrepresenting (1) the origin of its products, (2) the source of manufacture thereof, (3) the material content thereof, and by the use of fictitious prices in connection with the sale thereof. Respondent appeared by counsel and entered into an agreement, dated February 9, 1959, containing a consent order to cease and desist, disposing of all the issues in this proceeding, without further hearings, 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.

Respondent, pursuant to the aforesaid agreement, has admitted all of the jurisdictional allegations of the complaint and agreed