

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

Docket 7625. Complaint, Oct. 23, 1959—Decision, Feb. 12, 1960

Consent order requiring New York City manufacturers to cease violating the
Wool Products Labeling Act by labeling which described the fiber content

of ladies' dresses as "A Yarn Dyed 100% Worsted Fabric" instead of using the common generic name "wool," and by substituting the phrase "A'n R Jr." for the required manufacturer's name on tags or labels.

Mr. DeWitt T. Puckett supporting the complaint.

Mr. Irving Levine of Brooklyn, N.Y., for respondents.

INITIAL DECISION BY LEON R. GROSS, HEARING EXAMINER

On October 23, 1959, pursuant to the provisions of the Federal Trade Commission Act, and the Wool Products Labeling Act, the Federal Trade Commission caused to be issued its complaint in this proceeding to which the above-named parties were respondents. A true copy of said complaint was served upon respondents as required by law. The complaint charges respondents with violating the Federal Trade Commission Act and the Wool Products Labeling Act by misbranding wool products which were transported in interstate commerce, and failing to label said products properly as required by §4(a)(2) of the Wool Products Labeling Act and the Rules and Regulations promulgated under said Act, and failing to indicate the name or the registered identification number of the manufacturer of the wool products as required by the Wool Products Labeling Act of 1939. After being served with the complaint, respondents appeared by counsel and entered into an agreement dated December 2, 1959, which purports to dispose of all of this proceeding as to all parties without the necessity of conducting a hearing. The agreement has been signed by the respondents, their counsel, and by counsel supporting the complaint; and has been approved by the Director and the Assistant Director of the Bureau of Litigation of this Commission. Said agreement contains the form of a consent cease and desist order which the parties have agreed is dispositive of the issues involved in this proceeding. On December 16, 1959, the said agreement was submitted to the above-named hearing examiner for his consideration, in accordance with §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 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 accordance with such agreement. The parties

have, *inter alia*, by such agreement agreed: (1) 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; (2) the complaint may be used in construing the terms of said order; (3) the record herein shall consist solely of the complaint and said agreement; and (4) that 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.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement of December 2, 1959, 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: the agreement of December 2, 1959, is hereby accepted and ordered filed at the same time that this decision becomes the decision of the Federal Trade Commission pursuant to §§3.21 and 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings; and

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, makes the following jurisdictional findings, and issues the following order:

JURISDICTIONAL FINDINGS

1. That the Federal Trade Commission has jurisdiction over the parties and the subject matter of this proceeding:

2. Respondent Aronoff & Richling, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. Individual respondents Sidney Richling, Abe Aronoff, Robert Silver, and Lowell Aronoff are president, secretary, treasurer and vice president, respectively, of the corporate respondent. Said individual respondents cooperate in formulating, directing, and controlling the acts, policies, and practices of the corporate respondent, including the acts and practices hereinafter referred to. All respondents have their office and principal place of business at 1400 Broadway, New York, New York.

3. Respondents are engaged in commerce as "commerce" is defined in the Federal Trade Commission Act:

4. The complaint herein states a cause of action against said respondents under the Federal Trade Commission Act, and the Wool Products Labeling Act, and this proceeding is in the public interest.

Decision

ORDER

It is ordered. That respondents Aronoff & Richling, Inc., a corporation, and its officers, and Sidney Richling, Abe Aronoff, Robert Silver, and Lowell Aronoff, 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 woolen stocks, or other wool products, do forthwith cease and desist from:

A. Misbranding such products by:

1. Failing to securely affix to, or place on, each such product a stamp, tag, or 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 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;

2. Failing to set forth on fiber content labels or tags the common generic names of the fiber contents of their wool products.

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 12th day of February, 1960, become the decision of the Commission; and, accordingly:

It is ordered. That respondents Aronoff & Richling, Inc., a corporation, and its officers, and Sidney Richling, Abe Aronoff, Robert Silver, and Lowell Aronoff, 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

