

of April, 1960, become the decision of the Commission, and, accordingly:

It is ordered, That respondent Edward J. Kasnicka, an individual trading as Master Designer shall within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with the order to cease and desist.

IN THE MATTER OF
EQUITABLE COAT CO., INC., ET AL.

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

Docket 7755. Complaint, Jan. 26, 1960—Decision, Apr. 27, 1960

Consent order requiring New York City manufacturers to cease violating the Wool Products Labeling Act by failing to label girls' and teenage coats as required, and by representing said coats falsely in circulars to be "100% Wool Luxury Fabric" when they contained substantially less than 100% woolen fibers.

Mr. Frederick McManus supporting the complaint.

Respondents, *pro se*.

INITIAL DECISION OF JOHN LEWIS, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on January 26, 1960, 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. After being served with said complaint, respondents appeared and entered into an agreement containing consent order to cease and desist, dated February 23, 1960, 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 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 Section 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 Equitable Coat Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondents Melvin Gelfand and Irving Gelfand are officers of the corporate respondent, and also trade as co-partners under the firm name of Little Maid Coat Company.

Said individual respondents cooperate in formulating, directing and controlling the acts, policies and practices of the corporate respondent. All respondents have their office and principal place of business at 580 8th Avenue, in the City of New York, State of New York.

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

1329

Decision

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 the respondents Equitable Coat Co., Inc., a corporation, and its officers, and Melvin Gelfand and Irving Gelfand, individually and as officers of said corporation, and as co-partners trading as Little Maid Coat Company, or under any other name, 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 girls' and teenage coats or other wool products, as such products are defined in and subject to said Wool Products Labeling Act, do forthwith cease and desist from misbranding such products by failing to affix labels to such products showing each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Equitable Coat Co., Inc., a corporation, and its officers, and Melvin Gelfand and Irving Gelfand, individually and as officers of said corporation, and as co-partners trading as Little Maid Coat Company, or under any other name, 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 girls' and teenage coats or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of the constituent fibers contained in said product in advertising, 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 Practice, the initial decision of the hearing examiner shall, on the 27th day of April, 1960, 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
OLIVE TABLET COMPANY ET AL.

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

Docket 5090. Complaint, Dec. 1, 1943—Decision, Apr. 28, 1960

Consent order requiring the legal successors to the respondents named in the complaint, distributors of "Dr. Edwards' Olive Tablets," and their advertising agency, to cease advertising falsely that their said medicinal preparation would increase the flow of bile from the liver and cause the evacuation of bile from the gall bladder, and that it would tone up intestinal muscular action.

Mr. Fletcher G. Cohn supporting the complaint.

Mr. E. B. Kimpel, Jr., of Memphis, Tenn., and *Clark, Carr and Ellis* of New York, N.Y., for respondents.

INITIAL DECISION BY EDWARD CREEL, HEARING EXAMINER

On December 1, 1943, the Federal Trade Commission issued its complaint charging respondents named in the caption hereof with violating the Federal Trade Commission Act by making false and deceptive representations in advertising the product known as "Dr. Edwards' Olive Tablets." Thereafter these respondents agreed to discontinue making the representations alleged to be false and deceptive pending final disposition of similar issues in Carter Products, Inc., Docket No. 4970, and they also agreed to execute a stipulation as to the facts based on the facts relating to these issues as would be found by the Commission in the Carter Case. On account of this agreement, proceedings in this matter have been held in abeyance until this time.

Since the issuance of the complaint all of the outstanding stock of respondent Olive Tablet Company, a corporation, has been acquired by Plough, Inc., a corporation, and Olive Tablet Company has been dissolved as a corporation. Also during this interval Erwin, Wasey, Ruthrauff and Ryan, a corporation, has become the legal successor to respondent Erwin, Wasey and Company, a corporation.

An agreement has been entered into between counsel supporting the complaint and Plough, Inc., a corporation, and Erwin, Wasey, Ruthrauff and Ryan, a corporation, and their attorneys, in which these two corporations consent that they may be legally bound as successors in interest by the complaint served on their predecessors