

forth in detail the manner and form in which they have complied with the order to cease and desist.

IN THE MATTER OF
CLUNY JUNIORS, INC., ET AL.

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

Docket 8041. Complaint, July 13, 1960—Decision, Oct. 27, 1960

Consent order requiring manufacturers in New York City to cease violating the Wool Products Labeling Act by failing to comply with labeling requirements in the sale of ladies' wool dresses and suits.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Cluny Juniors, Inc., a corporation, and David Cohen and Leo Drimmer, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act, and it appearing to the Commission that a proceeding by it in respect thereof

would be in the public interest, hereby issues its complaint stating its charges in that respect as follows:

PARAGRAPH 1. Respondent Cluny Juniors, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New York with its office and place of business located at 1400 Broadway, New York, New York.

Individual respondent David Cohen is president and individual respondent Leo Drimmer is vice president of the said corporate respondent. These individuals control, formulate and direct the acts, practices and policies of the respondent corporation. Their office and principal place of business is the same as that of the said corporate respondent.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, and more especially since July 1958, respondents have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, and offered for sale in commerce, as "commerce" is defined in said Act, wool products, as "wool products" are defined therein.

PAR. 3. Certain of said wool products were misbranded by respondents in that they were not stamped, tagged or labeled as required under the provisions of Section 4(a)(2) of the Wool Products Labeling Act and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

PAR. 4. Certain of said wool products were misbranded in violation of the Wool Products Labeling Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in that respondents failed to attach a stamp, tag or label or other means of identification containing the information required under Section 4(a)(2) of the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder to each unit of multiple piece garments sold in combination, in violation of Rule 12 of the aforesaid Rules and Regulations.

PAR. 5. The respondents in the course and conduct of their business as aforesaid, were and are, in substantial competition in commerce with corporations, firms and individuals likewise engaged in the manufacture and sale of wool products, including ladies' dresses and suits.

PAR. 6. The acts and practices of the respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder and constituted, and now constitute, unfair and deceptive acts and practices and unfair methods of competition, in commerce, within the intent and meaning of the Federal Trade Commission Act.

Frederick McManus, Esq., for the Commission.

Respondents, for themselves.

INITIAL DECISION BY ROBERT L. PIPER, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on July 13, 1960, charging them with having violated the Wool Products Labeling Act, the rules and regulations issued thereunder, and the Federal Trade Commission Act, by misbranding their wool products. Respondents entered into an agreement, dated August 31, 1960, 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 appropriate officials 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.

Respondents, pursuant to the aforesaid agreement, have admitted all of the jurisdictional allegations of the complaint and agreed that the record may be taken as if findings of jurisdictional facts had been made duly in accordance with such allegations. Said agreement further provides that respondents waive all further procedural steps before the hearing examiner or the Commission, including the making of findings of fact or conclusions of law and the right to challenge or contest the validity of the order to cease and desist entered in accordance with such agreement. It has also been agreed that the record herein shall consist solely of the complaint and said 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 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, that said order to cease and desist shall have the same force and effect as if entered after a full hearing and may be altered, modified, or set aside in the manner provided for other orders, and that the complaint may be used in construing the terms of the order.

This proceeding having now come on for final consideration on the complaint and the aforesaid agreement containing the consent order, and it appearing that the order and agreement cover all of the allegations of the complaint and provide for appropriate disposition of this proceeding, the agreement is hereby accepted and ordered filed upon this decision and said agreement becoming part of the Commission's decision pursuant to §§ 3.21 and 3.25 of the Rules of Practice, and the hearing examiner accordingly makes the following findings, for jurisdictional purposes, and order:

1. Respondent Cluny Juniors, Inc., is a corporation organized and existing under and by virtue of the laws of the State of New York

with its office and place of business located at 1400 Broadway, in the City of New York, State of New York.

Individual respondent David Cohen is president and individual respondent Leo Drimmer is vice president of the said corporate respondent. These individuals control, formulate and direct the acts, practices and policies of the respondent corporation. Their office and principal place of business is the same as that of the said 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 and the Federal Trade Commission Act, and this proceeding is in the interest of the public.

It is ordered, That the respondents Cluny Juniors, Inc., a corporation, and its officers, and David Cohen and Leo Drimmer, 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 ladies' suits and dresses, 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:

1. 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;

2. Failing to attach a stamp, tag, or label or other means of identification containing the information required under Section 4(a)(2) of the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder to each unit of multiple piece garments sold in combination as is required by Rule 12 of the Rules and Regulations.

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 October 1960, become the decision of the Commission; and, accordingly:

It is ordered, That the above-named respondents 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.

Decision

IN THE MATTER OF

ALHAMBRA MOTOR PARTS ET AL.

ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF SEC. 2 (f)
OF THE CLAYTON ACT

Docket 6889. Complaint, Sept. 17, 1957—Decision, Oct. 28, 1960

Order requiring a trade association in Los Angeles, Calif., and its 59 jobber members to cease knowingly inducing and receiving discriminatory prices from manufacturers and suppliers of automotive parts and accessories in violation of Sec. 2(f) of the Clayton Act, by using their association as a device to obtain volume discounts on the aggregate purchases of all members.

Mr. Eldon P. Schrup and *Mr. Herbert I. Rothbart* for the Commission.

Mr. H. J. Gross and *Mr. Harris K. Lyle*, of Van Nuys, Calif., for respondents.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

This proceeding is now before the undersigned hearing examiner for final consideration upon the complaint, answer thereto, testimony and other evidence, and proposed findings of fact and conclusions submitted by counsel. The hearing examiner has given consideration to the proposed findings of fact and conclusions submitted by both parties, and all findings of fact and conclusions of law proposed by the parties, respectively, not hereinafter specifically found or concluded, are herewith rejected, and the hearing examiner, having considered the record herein and being now fully advised in the premises, makes the following findings as to the facts, conclusions drawn therefrom and order:

1. Respondent, Southern California Jobbers, Inc., is a membership corporation organized, existing and doing business under and by virtue of the laws of the State of California with its principal office and place of business located at 234 West 24th Street, Los Angeles, California. At the time of the issuance of the complaint in this proceeding, the members of said respondent, Southern California Jobbers, Inc., were as follows:

(1) Respondents C. E. Long, Glen L. Long and J. T. Prochaska, Jr., co-partners trading as Alhambra Motor Parts, located at 1118 West Main Street, Alhambra, California.

(2) Respondent Edward Gaughn, an individual trading as Allied Motor Parts, located at 1351 American Avenue, Long Beach, California.