
IN THE MATTER OF
STYLE-RITE GIRL COAT, INC., ET AL.

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

Docket 8234. Complaint, Dec. 27, 1960—Decision, Mar. 30, 1961

Consent order requiring manufacturers in New York City to cease violating the Wool Products Labeling Act by labeling as "30% Wool, 70% Other Fibers", coats which contained more than 5% of both nylon and acetate, and by failing to label other wool products as required.

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 Style-Rite Girl Coat, Inc., a corporation, and Sidney Sommer and Morton Sommer, 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

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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. Style-Rite Girl Coat, 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 Sommer and Morton Sommer are officers of the corporate respondent. Said individual respondents cooperate in formulating, directing and controlling the acts, policies and practices of the corporate respondents, including the acts and practices hereinafter referred to. All respondents have their office and principal place of business at 520 Eighth Avenue in New York, New York.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, and more especially since December 1959, 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 the respondents within the intent and meaning of Section 4(a)(1) of the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively labeled or tagged with respect to the character and amount of the constituent fibers contained therein.

Among such wool products were coats labeled or tagged by respondents as "30% Wool, 70% Other Fibers," whereas said coats contained nylon and acetate, each in excess of 5% of the total fiber weight.

PAR. 4. Certain of said wool products were further 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.

P(8. 5. The respondents, in the course and conduct of their business, as aforesaid, were and are in substantial competition with other corporations, firms and individuals likewise engaged in the manufacture and sale of wool products, including coats.

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.

Mr. DeWitt T. Puckett for the Commission.
Respondents, for themselves.

INITIAL DECISION BY HERMAN TOCKER, HEARING EXAMINER

The complaint in this proceeding, issued December 27, 1960, charged the respondents, Style-Rite Girl Coat, Inc., a New York corporation, located at 520 Eighth Avenue, New York, New York, and Sidney Sommer and Morton Sommer, individually and as officers of said corporation, and located at the same address as the corporate respondent, with violation of the provisions of the Federal Trade Commission Act, and the Wool Products Labeling Act of 1939 and the Rules and Regulations made pursuant thereto, by misbranding certain wool products manufactured by them for introduction into commerce.

After the issuance of the complaint, respondents entered into an agreement containing consent order to cease and desist with counsel in support of the complaint, disposing of all the issues as to all parties in this proceeding.

It was expressly provided in said agreement that the signing thereof is for settlement purposes only and does not constitute an admission by respondents that they have violated the law as alleged in the complaint.

By the terms of said agreement, the respondents admitted all the jurisdictional facts alleged in the complaint and agreed that the record herein may be taken as if the Commission had made findings of jurisdictional facts in accordance with the allegations.

By said agreement, the parties expressly waived any further procedural steps before the hearing examiner and the Commission; the making of findings of fact or conclusions of law; and all the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with the agreement.

Respondents further agreed that the order to cease and desist, issued in accordance with said agreement, shall have the same force and effect as if made after a full hearing.

It was further provided that said agreement, together with the complaint, shall constitute the entire record herein; that the complaint herein may be used in construing the terms of the order issued pursuant to said agreement; and that said order may be altered, modified or set aside in the manner prescribed by the statute for orders of the Commission.

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The hearing examiner has considered such agreement and the order therein contained, and, it appearing that said agreement and order provide for an appropriate disposition of this proceeding, the same is hereby accepted and is ordered filed upon becoming part of the Commission's decision in accordance with Sections 3.21 and 3.25 of the Rules of Practice, and, in consonance with the terms of said agreement, the hearing examiner finds that the Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents named herein, and that this proceeding is in the interest of the public, and issues the following order:

ORDER

It is ordered, That respondents Style-Rite Girl Coat, Inc., a corporation, and its officers, and Sidney Sommer and Morton Sommer, 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 coats or other "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 and deceptively stamping, tagging, labeling, or otherwise identifying such products as to the character or amount of the constituent fibers included therein;
2. Failing to affix labels to such products showing each element of information required to be disclosed by §4(a)(2) of the Wool Products Labeling Act of 1939.

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 30th day of March 1961, become the decision of the Commission; and accordingly:

It is ordered, That 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

RICHARD F. JORN ET AL. TRADING AS TESSITALIA

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

Docket 7996. Complaint, June 24, 1960—Decision, Apr. 4, 1961

Order requiring New York City importers of fabrics from Italy to cease violating the Wool Products Labeling Act by labeling as "95% Rep. Wool, 5% Nylon", "40% Rep. Wool, 50% Spun Rayon, 10% Nylon", fabrics which contained substantially less woolen fibers than thus represented, and by failing to comply with labeling requirements in other respects.

Mr. Charles W. O'Connell for the Commission.

Respondents, *pro se*.

INITIAL DECISION BY EARL J. KOLB, HEARING EXAMINER

This proceeding is before the undersigned Hearing Examiner for final consideration on the complaint, answer thereto, testimony and other evidence and proposed findings as to the facts and conclusions presented by counsel in support of the complaint. The Hearing Examiner has given consideration to the proposed findings of fact and conclusions submitted by counsel supporting the complaint, and all findings of fact and conclusions of law 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:

FINDINGS AS TO THE FACTS

PARAGRAPH 1. For approximately 7 or 8 months prior to October 1959, respondents Richard F. Jorn and Irving Rifkin were copartners trading as Tessitalia with their office and principal place of business located at 566 Seventh Avenue, New York, New York. During this period respondents imported from Italy and introduced into commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, "wool products", as wool products are defined therein.

PAR. 2. These wool products, consisting principally of flannel-type goods and tweeds, were purchased by respondents from mills located in Italy through a mill agent and were shipped to respondents by the mill in bolts in bale lots, f.o.b. Italy. The original papers pertaining to such imported shipments were sent to the First National Bank