

May 1961, 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

MICKEY WAKS, INC., ET AL.

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

Docket 8260. Complaint, Dec. 30, 1960—Decision, May 4, 1961

Consent order requiring manufacturers in New York City to cease violating the Wool Products Labeling Act by failing to label separately each unit of multiple-piece garments sold in combination, and by failing to attach the required tags to certain wool products.

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 Mickey Waks, Inc., a corporation, and

Mickey Waks, individually and as officer 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 Mickey Waks, 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 102 West 38th Street, New York, New York.

Respondent Mickey Waks is president of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent. His address is the same as that of the corporate respondent.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, and more especially since May 1, 1958, respondents have manufactured for introduction 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 other corporations, firms and individuals likewise engaged in the manufacture and sale of wool products, including ladies' dresses and dress and jacket ensembles.

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.

Charles W. O'Connell, Esq., supporting the complaint.
Jacob Schutz, Esq., of New York, N.Y., for respondents.

INITIAL DECISION BY LEON R. GROSS, HEARING EXAMINER

On December 30, 1960, the Federal Trade Commission issued a complaint against the above-named respondents, in which they were charged with violating the Federal Trade Commission Act, and the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder by misbranding certain of the wool products sold by them in interstate commerce. The complaint alleges that respondents falsely and deceptively stamped, tagged, or labeled such products contrary to the provisions of §4(a)(2) of the Wool Products Labeling Act and the Rules and Regulations promulgated under said Act. A true and correct copy of the complaint was served upon respondents and each and all of them as required by law.

Thereafter respondents appeared and agreed to dispose of this proceeding without a formal hearing pursuant to the terms of an agreement dated March 10, 1961, containing consent order to cease and desist. The agreement was submitted to the undersigned hearing examiner on March 16, 1961, in accordance with §3.25 of the Commission's Rules of Practice for Adjudicative Proceedings. The agreement purports to dispose of this proceeding as to the respondents and each and all of them and contains the form of a consent cease and desist order which the parties have represented is dispositive of the issues involved in this proceeding. The agreement has been signed by the corporate respondent by its president, by the individual respondent individually and as an officer of said corporation, and by counsel supporting the complaint, and has been approved by the Assistant Director, Associate Director, and Director of the Bureau of Litigation of the Federal Trade Commission. In said agreement respondents admit all of the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of jurisdictional facts had been made in accordance with such allegations. In the agreement the respondents waive: (a) any further procedural steps before the hearing examiner and the Commission; (b) the making of findings of fact or conclusions of law; and (c) all rights respondents may have to challenge or con-

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test the validity of the order to cease and desist entered in accordance with the agreement.

The parties further agree, in said agreement, that the record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and the 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 Federal Trade Commission; that the order to cease and desist entered in this proceeding by the Commission may be entered without further notice to the respondents, and when so entered such order will have the same force and effect as if entered after a full hearing. Said order may be altered, modified or set aside in the manner provided for other orders. The complaint may be used in construing the terms of the order.

The parties have covenanted that the said agreement is for settlement purposes only and does not constitute an admission by the 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 March 10, 1961, containing consent order, and it appearing that the order which is approved in and by said agreement disposes of all the issues presented by the complaint as to all of the parties involved, said agreement is hereby accepted and approved as complying with §§3.21 and 3.25 of the Commission's Rules of Practice for Adjudicative Proceedings. 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 findings and issues the following order:

FINDINGS

1. The Federal Trade Commission has jurisdiction over the parties and the subject matter of this proceeding; and this proceeding is in the public interest;

2. Respondent Mickey Waks, Inc., is a corporation existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 102 West 38th Street, in the City of New York, State of New York.

3. Respondent Meyer Waks is president of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent. His address is the same as that of the corporate respondent. Meyer Waks is the same individual who was

incorrectly named in the original complaint as Mickey Waks. The agreement has been signed by Meyer Waks under his correct name.

4. Respondents are engaged in commerce as "commerce" is defined in the pertinent statutes which are invoked by the complaint filed herein. Now, therefore,

It is ordered, That respondents Mickey Waks, Inc., a corporation, and its officers, and Meyer Waks, individually and as an officer 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, distribution or delivery for shipment, in commerce, as "commerce" is defined in the Federal Trade Commission Act, and the Wool Products Labeling Act of 1939, of woolen 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 wool products showing each element of information required to be disclosed by §4(a)(2) of the Wool Products Labeling Act of 1939;

2. Failing to affix labels to each unit of multiple-piece garments sold in combination showing each element of the 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

The Commission having considered the hearing examiner's initial decision, filed March 21, 1961, accepting an agreement containing a consent order theretofore executed by respondents and counsel supporting the complaint; and

It appearing that the first and second sentences in the initial decision, purporting to summarize the charges in the complaint are in error; and the Commission being of the opinion that this error should be corrected:

It is ordered, That the first sentence contained in the first paragraph of the initial decision be, and it hereby is, modified to read as follows:

"On December 30, 1960, the Federal Trade Commission issued a complaint against the above-named respondents, in which they were charged with violating the Federal Trade Commission Act, and the Wool Products Labeling Act and the Rules and Regulations promulgated thereunder by misbranding certain of their wool products."

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It is further ordered, That the initial decision be, and it hereby is, modified by striking from said decision the second sentence in the first paragraph thereof.

It is further ordered, That the initial decision, as so modified, shall, on the 4th day of May 1961, become the decision of the Commission.

It is further ordered, That the 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