
IN THE MATTER OF
CALIFORNIA FLORAL MANUFACTURING COMPANY
ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FLAMMABLE FABRICS ACTS

Docket 8217. Complaint, Dec. 9, 1960—Decision, May 16, 1961

Consent order requiring distributors in Yucaipa, Calif., to cease violating the Flammable Fabrics Act by selling fabric for making leis which was so highly flammable as to be dangerous when worn.

Complaint

58 F.T.C.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Flammable Fabrics Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that California Floral Manufacturing Company, a corporation, and Raymond E. Ramont, individually, as an officer of said corporation and also trading as Ramont's Floral Arts Studio, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Flammable Fabrics 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 California Floral Manufacturing Company is a corporation duly organized, existing, and doing business under and by virtue of the laws of the State of California. Respondent Raymond E. Ramont is president of the corporate respondent and formulates, directs, and controls its policies, acts and practices. He also trades as Ramont's Floral Arts Studio. The business address of all the respondents is 35112 California Street, Yucaipa, California.

PAR. 2. Respondents, subsequent to July 1, 1954, the effective date of the Flammable Fabrics Act, have sold and offered for sale, in commerce; have introduced, delivered for introduction, transported, and caused to be transported, in commerce; and have transported and caused to be transported for the purpose of sale or delivery after sale in commerce; as "commerce" is defined in the Flammable Fabrics Act, fabric, as that term is defined therein, which fabric was, under Section 4 of the Flammable Fabrics Act, as amended, so highly flammable as to be dangerous when worn by individuals. Said fabric is offered for sale and sold by respondents for the purpose of making leis.

PAR. 3. Respondents, in the course and conduct of their business, are engaged in direct and substantial competition, in commerce, with corporations, firms and individuals in the sale and offering for sale of fabrics for the same general use as that of respondents' which are not dangerously flammable under the definition of the Flammable Fabrics Act.

PAR. 4. The aforesaid acts and practices of respondents were and are in violation of the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder, and as such constitute unfair methods of competition and unfair and deceptive acts and practices in

commerce, within the intent and meaning of the Federal Trade Commission Act.

Mr. Brockman Horne for the Commission.

Mr. Carl B. Sturzenacker, of Los Angeles, Calif., for respondents.

INITIAL DECISION BY LOREN H. LAUGHLIN, HEARING EXAMINER

The Federal Trade Commission (sometimes also hereinafter referred to as the Commission) on December 9, 1960, issued its complaint herein, charging the respondents, California Floral Manufacturing Company, a corporation, and Raymond E. Ramont, individually, and as an officer of said corporation, and also trading as Ramont's Floral Arts Studio, with having violated the provisions of the Federal Trade Commission Act, and of the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder; and respondents were duly served with process.

On March 20, 1961, there was submitted to the undersigned hearing examiner of the Commission, for his consideration and approval, an "Agreement Containing Consent Order To Cease And Desist", which had been entered into by respondents, their counsel, and counsel supporting the complaint on March 9, 1961, subject to the approval of the Bureau of Litigation of the Commission, which had subsequently duly approved the same.

After due consideration, the hearing examiner finds that said agreement, both in form and in content, is in accord with §3.25 of the Commission's Rules of Practice for Adjudicative Proceedings, and that by said agreement the parties have specifically agreed to the following matters:

1. Respondent California Floral Manufacturing Company is a corporation existing and doing business under and by virtue of the laws of the state of California, with its office and principal place of business located at 35112 California Street, Yucaipa, California. Respondent Raymond E. Ramont is an individual and is an officer of the corporate respondent. As such, he formulates, directs, and controls the policies, acts and practices of said corporation. He also trades as Ramont's Floral Arts Studio. His business address is the same as that of the corporate respondent.

2. Respondents admit all the jurisdictional facts alleged in the complaint and agree that the record may be taken as if findings of jurisdictional facts had been duly made in accordance with such allegations.

3. This agreement disposes of all of this proceeding as to all parties.

4. 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 of the rights they may have to challenge or contest the validity of the order to cease and desist entered in accordance with this agreement.

5. The record on which the initial decision and the decision of the Commission shall be based shall consist solely of the complaint and this agreement.

6. This agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission.

7. This 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.

8. The following order to cease and desist may be entered in this proceeding by the Commission without further notice to respondents. When so entered it shall have the same force and effect as if entered after a full hearing. It 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.

Upon due consideration of said complaint and agreement, the hearing examiner approves and accepts the "Agreement Containing Consent Order To Cease And Desist"; finds that the Commission has jurisdiction of the subject matter of this proceeding and of the respondents herein; that the complaint states a legal cause for complaint under the Federal Trade Commission Act and under the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder, against the respondents, both generally and in each of the particulars alleged therein; that this proceeding is in the interest of the public; and that the order proposed in said agreement is appropriate for the just disposition of all the issues in this proceeding as to all of the parties hereto; and therefore issues the said order, as follows:

It is ordered, That respondents California Floral Manufacturing Company, a corporation, and its officers, and respondent Raymond E. Ramont, individually, and as an officer of said corporation, and trading as Ramont's Floral Arts Studio, or under any other name, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from:

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Complaint

1. Selling, offering for sale, introducing, delivering for introduction, transporting, or causing to be transported, in commerce, as "commerce" is defined in the Flammable Fabrics Act; or

2. Transporting or causing to be transported for the purpose of sale or delivery after sale in commerce, any fabric, intended or sold for use in wearing apparel, which, under the provisions of §4 of the said Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals.

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 16th day of May 1961, become the decision of the Commission; and, accordingly:

It is ordered, That respondents California Floral Manufacturing Company, a corporation, and Raymond E. Ramont, individually, and as an officer of said corporation, and trading as Ramont's Floral Arts Studio, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting