

Virginia, a Virginia corporation, be and it hereby is dismissed, without prejudice to such further action as may be initiated by the Federal Trade Commission.

DECISION OF THE COMMISSION

Pursuant to Section 3.21 of the Commission's Rules of Practice, the initial decision of the hearing examiner shall, on the 7th day of July 1961, become the decision of the Commission.

IN THE MATTER OF

ENGLISH SPORTSWEAR, INC., ET AL.

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

Docket 8845. Complaint, Apr. 5, 1961—Decision, July 7, 1961

Consent order requiring manufacturers in New York City to cease violating the Wool Products Labeling Act by labeling as "English Sports Coat", products manufactured in the United States.

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 English Sportswear, Inc., a corporation, and Manny Zisser and Perry Zousmer, 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 English Sportswear, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York. Individual respondents Manny Zisser and Perry Zousmer are, respectively, president and secretary-treasurer of said corporate respondent. The individual respondents formulate, and direct and control the acts, policies and practices of the corporate respondent including the acts and practices hereinafter referred to. All respondents have their office and

principal place of business at 126 Fifth Avenue, New York, New York.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, and more especially since July 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 stamped, tagged, labeled, or otherwise identified with respect to the place of manufacture.

Among such misbranded wool products were men's sportcoats labeled or tagged by respondents "English Sports Coat", thereby implying that the products were manufactured in and imported from England, whereas, in truth and in fact, said products were neither manufactured in England, nor English styled, but were manufactured by the respondents in the United States.

PAR. 4. 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 men's sportcoats.

PAR. 5. 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.

PAR. 6. In the course and conduct of their business, the respondents have engaged and are now engaged in the practice of otherwise falsely representing that their products sold and distributed by them in commerce, were manufactured in and imported from England. In furtherance of this practice, and for the purpose of inducing the purchase of their said products, respondents have caused false statements, representations and implications, purporting to be descriptive of such products, to be inserted in booklets, magazines, and other types of advertising matter disseminated among the trade and the purchasing public throughout the United States.

PAR. 7. Among and typical of the acts and practices above described, the respondents in the aforesaid advertising represented said products as, for example, "English Sports Coat".

In truth and in fact said coats were not made in England, nor English styled, but were in fact manufactured by the respondents in the United States.

PAR. 8. The use by the respondents of the aforesaid representations, and others of similar import, has the capacity and tendency to mislead and deceive, and has misled and deceived, a substantial portion of the purchasing and consuming public as to the place of manufacture of respondents' said products, and as a result of that deception or mistaken belief many members of the purchasing public have purchased in commerce, and are likely to continue to purchase in commerce, substantial quantities of respondents' said products.

PAR. 9. The aforesaid acts and practices of the respondents as alleged in Paragraphs Six, Seven and Eight above are all to the prejudice and injury of the public and 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. Harry E. Middleton, Jr., supporting the complaint.
Respondents, *pro se*.

INITIAL DECISION BY EDWARD CREEL, HEARING EXAMINER

The Federal Trade Commission issued its complaint against the above-named respondents on April 5, 1961, charging misrepresentation of the place of manufacture of men's wool clothing in violation of the Wool Products Labeling Act of 1939 and the Federal Trade Commission Act.

On April 25, 1961, there was submitted to the hearing examiner an agreement between the respondents and counsel supporting the complaint providing for the entry of a consent order.

Under the terms of the agreement, respondents admit the jurisdictional facts alleged in the complaint. The parties agree, among other things, that the cease and desist order there set forth may be entered without further notice and have the same force and effect as if entered after a full hearing and the document includes a waiver by the respondents of all rights to challenge or contest the validity of the order issuing in accordance therewith. The agreement further recites that it 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.

The hearing examiner finds that the content of the agreement meets all of the requirements of Section 3.25(b) of the Rules of the Commission.

The hearing examiner having considered the agreement and proposed order, and being of the opinion that they provide an appropriate basis for settlement and disposition of this proceeding, the agreement is hereby accepted, and it is ordered that said agreement shall not become a part of the official record unless and until it becomes a part of the decision of the Commission. The following jurisdictional findings are made and the following order issued:

1. Respondent English Sportswear, Inc., is a New York corporation with its office and principal place of business located at 126 Fifth Avenue, New York, New York.

The respondents Manny Zisser and Perry Zousmer are individuals and officers of the corporate respondent and have the same business address as does the corporate respondent.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondents, and the proceeding is in the public interest.

ORDER

It is ordered. That respondents English Sportswear, Inc., a corporation, and its officers, and Manny Zisser and Perry Zousmer, individually and as officers of said corporation, their agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of respondents' clothing or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, in advertising, offering for sale or selling products designed and manufactured in the United States as "English Sportswear".

2. Misrepresenting in any manner the place of origin or manufacture of respondents' clothing.

It is further ordered. That said respondents English Sportswear, Inc., a corporation, and its officers, and Manny Zisser and Perry Zousmer, individually and as officers of said corporation, their agents, representatives and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the sale, transporta-

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tion or distribution in commerce, as "commerce" is defined in the Wool Products Labeling Act of 1939, of wearing apparel, or other wool products, as such products are defined in and subject to the Wool Products Labeling Act, do forthwith cease and desist from misbranding said products by:

Falsely or deceptively stamping, tagging, labeling, or otherwise identifying such products, either directly or by implication, as to the country of origin.

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 7th day of July 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.
