

Complaint

59 F.T.C.

IN THE MATTER OF

PERL PILLOW COMPANY

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE FEDERAL TRADE COMMISSION ACT

Docket 8308. Complaint, Mar. 6, 1961—Decision, Sept. 28, 1961

Consent order requiring, Houston, Tex., manufacturers to cease such practices as labeling their "Countess" pillows as "All New Material Consisting of Imported White Goose Down" when they actually contained substantial quantities of other material.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission having reason to believe that Perl Pillow Company, a corporation, and Jack Perlman, Martin Perlman, Maurice Dubinski and Joseph Arena, individually and as officers of the said corporation, hereinafter referred to as respondents, have violated the provisions of said 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 Perl Pillow Company is a corporation organized, existing and doing business under and by virtue of the laws of the State of Texas, with its office and principal place of business located at 2120 Rothwell Street, Houston, Texas. Respondents Jack Perlman, Martin Perlman, Maurice Dubinski and Joseph Arena are the officers of the corporate respondent. Their address is the same as that of the corporate respondent. Those individuals direct and control the policies, acts and practices of the corporate respondent, including the acts and practices hereinafter set forth.

PAR. 2. Respondents are now, and for more than one year last past have been, engaged in the manufacture and sale of feather and down pillows to dealers for resale to the consuming public. Respondents have caused and now cause their said products, when sold, to be transported from their place of business in the State of Texas to purchasers thereof located in other States of the United States. Respondents maintain, and at all times mentioned herein have maintained a course of trade in said feather and down products, in commerce, among and between the various States of the United States.

PAR. 3. In the course and conduct of their aforesaid business respondents are now, and have been, in substantial competition in com-

merce with other corporations and with firms, individuals and partnerships engaged in the manufacture, sale and distribution of feather and down pillows.

PAR. 4. In the course and conduct of their said business, respondents have caused labels to be affixed to certain of their pillows purporting to state and set out the kinds or types and proportions thereof, of filling material contained therein. Typical of the statements appearing on the labels of pillows designated "Countess" is the following:

All New Material Consisting of Imported White Goose Down.

PAR. 5. Through the use of the statements appearing on the labels affixed to said pillows, respondents represent that the filling material therein is composed entirely of new down.

PAR. 6. The aforesaid representations are false, misleading and deceptive. In truth and in fact, said pillows contain substantial quantities of filling material other than down.

PAR. 7. The use by respondents of the aforesaid false, misleading and deceptive representations on the labels has had and now has the tendency and capacity to mislead and deceive dealers and the purchasing public as to the content of the filling materials of their said pillows and to induce the purchase of substantial quantities of their said pillows because of such mistaken and erroneous belief.

As a result thereof, substantial trade in commerce has been unfairly diverted to respondents from their competitors, and substantial injury has thereby been done to competition in commerce.

PAR. 8. The aforesaid acts and practices of respondents, as herein alleged, are all to the prejudice and injury of the public and of respondents' competitors 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.

DECISION AND ORDER

This matter having come on to be heard by the Commission upon a record consisting of the Commission's complaint charging the respondents in the proceeding with violation of the Federal Trade Commission Act and an agreement by and between respondents and counsel supporting the complaint, which agreement contains an order to cease and desist, an admission by the respondents of all the jurisdictional facts alleged in the complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondents that the law has been violated as alleged in the complaint, and waivers and provisions as required by the Commission's rules, and further provides for dis-

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missal of the complaint as to respondent Arena Joseph Schwartz (erroneously described in the complaint as Joseph Arena) in her capacity as an individual respondent; and

The Commission having considered the agreement and order contained therein and being of the opinion that the agreement provides an adequate basis for an appropriate disposition of the proceeding, the agreement is hereby accepted, the following jurisdictional findings are made, and the following order is entered:

1. Respondent Perl Pillow Company is a corporation existing and doing business under and by virtue of the laws of the State of Texas, with its office and principal place of business located at 2120 Rothwell Street, in the city of Houston, State of Texas.

Respondents Jack Perlman, Martin Perlman, Maurice Dubinski and Arena Joseph Schwartz are individuals and officers of the corporate respondent. Their address is the same as that of 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 Perl Pillow Company, a corporation, and its officers, and Jack Perlman, Martin Perlman, and Maurice Dubinski, individually and as officers of said corporation, and Arena Joseph Schwartz, as an officer of said corporation, and their representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is defined in the Federal Trade Commission Act, of feather and down products, do forthwith cease and desist from misrepresenting in any manner, or by any means, directly or by implication, the identity of the kind or type of filling material contained in any such products, or of the kinds or types, and proportion of each, when the filling material is a mixture of more than one kind or type.

It is further ordered, That the complaint be, and the same hereby is, dismissed as to Arena Joseph Schwartz in her capacity as an individual respondent.

It is further 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 this order.

Complaint

IN THE MATTER OF

EASTLAND WOOLEN MILLS, INC., ET AL.

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

Docket 8410. Complaint, June 1, 1961—Decision, Sept. 28, 1961

Consent order requiring manufacturers with headquarters in Corinna, Maine, to cease violating the Wool Products Labeling Act and the Federal Trade Commission Act by labeling and invoicing as "50% Wool-50% Reprocessed Wool" and tagging as "100% Reprocessed Wool," fabrics which contained substantial quantities of non-woolen fibers, and by failing to disclose on fabric labels the true generic names and percentage of the constituent fibers.

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 Eastland Woolen Mills, Inc., a corporation, and Max Striar, Louis Striar and Bernard Striar, individually and as officers of said corporation, and as partners doing business as Striar Textile Mill and Ski-Land Woolen Mill, 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 Eastland Woolen Mills, Inc., is a corporation, organized, existing and doing business under and by virtue of the laws of the State of Maine. Individual respondents, Max Striar, Louis Striar and Bernard Striar are officers of the corporate respondent. Said individual respondents, formulate, 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 located in Corinna, Maine.

In addition thereto, individual respondents Max Striar, Louis Striar and Bernard Striar, as partners, do business as Striar Textile Mill, with a plant located in Orono, Maine, and as Ski-Land Woolen Mill, with a plant located in Clifton, Maine.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939 and more especially since December 1958, respondents have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment and