

MARC GOTHEIL ET AL. TRADING AS GELMOR TRADING
COMPANY

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

Docket C-19. Complaint, Nov. 7, 1961—Decision, Nov. 7, 1961

Consent order requiring New York City importers to cease violating the Flammable Fabrics Act by importing and selling fabric so highly flammable

as to be dangerous when worn; and to cease violating the Textile Fiber Products Identification Act by furnishing their customers with false guaranties that certain of their textile fiber products were not misbranded or falsely invoiced.

COMPLAINT

Pursuant to the Federal Trade Commission Act, the Flammable Fabrics Act and the Textile Fiber Products Identification Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Marc Gotheil, Leo B. Elson and Joseph B. Morgens, individually and as copartners, trading as Gelmor Trading Company, hereinafter referred to as respondents, have violated the provisions of said Acts, and the Rules and Regulations promulgated under the Flammable Fabrics Act and the Textile Fiber Products Identification 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. Respondents Marc Gotheil, Leo B. Elson and Joseph B. Morgens are individuals trading as Gelmor Trading Company, a partnership. The business address of all respondents is 151 West 40th Street, New York, New York.

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 imported into the United States; and have introduced, delivered for introduction, transported, and caused to be transported, in commerce; and have transported and caused to be transported, 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.

PAR. 3. Respondents, subsequent to March 3, 1960, the effective date of the Textile Fiber Products Identification Act, have been and are now engaged in the introduction, delivery for introduction, sale, advertising or offering for sale, in commerce, and in the transportation or causing to be transported in commerce, or the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported or caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported or caused to be transported, after shipment in commerce, textile fiber products, either in their original state or which were made of other textile products so

shipped in commerce; as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 4. Respondents have furnished their customers with false guaranties that certain of their textile fiber products were not misbranded or falsely invoiced by falsely representing in writing on invoices that respondents had filed a continuing guaranty under the Textile Fiber Products Identification Act with the Federal Trade Commission, in violation of Rule 38(d) of the Rules and Regulations under said Act and Section 10(b) of such Act.

PAR. 5. The aforesaid acts and practices of respondents were and are in violation of the Flammable Fabrics Act, the Textile Fiber Products Identification Act, and the Rules and Regulations promulgated under said Acts, and as such constitute unfair methods of competition and unfair and deceptive acts and practices in commerce, within the meaning of the Federal Trade Commission Act.

DECISION AND ORDER

The Commission having heretofore determined to issue its complaint charging the respondents named in the caption hereof with violation of the Flammable Fabrics Act and the Textile Fiber Products Identification Act and the Rules and Regulations promulgated under said Acts, and the respondents having been served with notice of said determination and with a copy of the complaint the Commission intended to issue, together with a proposed form of order; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth 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 set forth in the complaint, and waivers and provisions as required by the Commission's rules; and

The Commission, having considered the agreement, hereby accepts same, issues its complaint in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondents Marc Gotheil, Leo B. Elson and Joseph B. Morgens are individuals trading as Gelmor Trading Company, a partnership. The business address of all respondents is 151 West 40th Street, New York, New York.

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Order

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 Marc Gotheil, Leo B. Elson and Joseph B. Morgens, individually and as copartners trading as Gelmor Trading Company, 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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(a) Importing into the United States; or

(b) 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

(c) Transporting or causing to be transported for the purpose of sale or delivery after sale in commerce;

any fabric, which, under the provisions of Section 4 of the Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals;

It is further ordered, That respondents Marc Gotheil, Leo B. Elson and Joseph B. Morgens, individually and as copartners trading as Gelmor Trading Company, or under any other name, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported, in commerce, or the importation into the United States of textile fiber products; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of textile fiber products which have been advertised or offered for sale in commerce; or in connection with sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of textile fiber products, whether in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from;

Furnishing false guaranties that textile fiber products are not misbranded or falsely invoiced, under the provisions of the Textile Fiber Products Identification Act.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the

