

by Section 4(a) (2) of the Wool Products Labeling Act of 1939.

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.

IN THE MATTER OF

ROMEX INTERNATIONAL, LTD., ET AL.

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

Docket C-90. Complaint, Mar. 2, 1962—Decision, Mar. 2, 1962

Consent order requiring associated distributors in New York City to cease labeling and invoicing as "90% reprocessed cashmere, 10% nylon", fabrics which contained a substantial quantity of other fibers, and failing to disclose on fabric labels the true generic name of the constituent fibers and the percentage thereof.

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, Romex International, Ltd., a corpora-

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tion, and Bini Bino D'Italia, Ltd., a corporation, and Morton L. Gordon, individually and as an officer of said corporations, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act of 1939, 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 Romex International, Ltd., and Bini Bino D'Italia, Ltd., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York, with their office and principal place of business located at 330 Fifth Avenue, in the city of New York, State of New York.

Individual respondent Morton L. Gordon is president and treasurer of both corporate respondents and formulates, directs and controls the acts, practices and policies of the corporate respondents, including those hereinafter set forth. The address and principal place of business of the individual respondent is the same as that of the corporate respondents.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939 and more especially since 1948, respondents have 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 product" is 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 of 1939 and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively labeled or tagged with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were fabrics labeled or tagged by respondents as "90% reprocessed cashmere—10% nylon", whereas, in truth and in fact, said fabrics contained a substantial quantity of fibers other than those represented.

PAR. 4. Certain of said wool products were further 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 of 1939 and in the manner and form as prescribed by the Rules and Regulations promulgated under said Act.

Among such misbranded wool products, but not limited thereto, were fabrics with labels which failed: (1) to disclose the true generic

names of the fibers present and (2) to disclose the percentage of such fibers.

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. Respondents in the course and conduct of their business, as aforesaid, have made statements on invoices and shipping memoranda to their customers misrepresenting the fiber content of certain of their said products. Among such misrepresentations were statements representing fabrics to be "90% reprocessed cashmere, 10% nylon" whereas in truth and in fact the said fabrics contained substantially less reprocessed cashmere than was represented.

PAR. 7. The acts and practices set out in Paragraph Six have had and now have the tendency and capacity to mislead and deceive purchasers of said products as to the true content thereof and to cause them to misbrand products manufactured by them in which said materials are used.

PAR. 8. The acts and practices of the respondents set out in Paragraph Six were, and are, all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair and deceptive acts and practices, in commerce, within the intent and 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 Federal Trade Commission Act and the Wool Products Labeling Act of 1939, 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 respondents of all the jurisdictional facts set forth in the complaint to issue herein, 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 such complaint, and waivers and provisions as required by the Commission's rules; and

Decision and Order

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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 Romex International, Ltd., and Bini Bino D'Italia, Ltd., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York, with their office and principal place of business located at 330 Fifth Avenue, in the City of New York, State of New York.

Respondent Morton L. Gordon is an officer of both said corporations and his address is the same as that of said corporations.

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, Romex International, Ltd., a corporation, and its officers, and Bini Bino D'Italia, Ltd., a corporation, and its officers, and Morton L. Gordon, individually and as an officer of both corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the offering for sale, sale, transportation, delivery for shipment, or distribution, in commerce, of fabrics or other wool products, as "commerce" and "wool product", are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

1. Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of the constituent fibers contained therein.

2. Failing to securely affix to or place on each product, a stamp, tag, label or other means of identification showing in a clear and conspicuous manner, each element of information required to be disclosed by Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Romex International, Ltd., a corporation, and its officers, and Bini Bino D'Italia, Ltd., a corporation, and its officers, and Morton L. Gordon, individually and as an officer of both corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of fabrics or any other products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of constituent fibers contained

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in such products on invoices or shipping memoranda applicable there-