

ment contains any of the representations or misrepresentations prohibited in paragraphs 1 through 5 of Part I of this Order.

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

ARTEL TEXTILE CO., INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE TEXTILE FIBER PRODUCTS IDENTIFI-
CATION ACTS

Docket C-194. Complaint, July 24, 1962—Decision, July 24, 1962

Consent order requiring two affiliated New York City distributors of textile fiber products to cease violating the Textile Fiber Products Identification Act by such practices as labeling draperies which contained no glass fibers as "Fibreglaze", failing to disclose the true generic names of fibers present in draperies and the percentage thereof, failing to identify the manufacturer, etc., failing to maintain proper records showing the fiber content of their products, furnishing false guaranties that their products were not misbranded, and failing in other respects to comply with requirements of the Act.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 Artel Textile Co., Inc., a corporation, and Armar Mfg. Co., Inc., a corporation, and Arthur Abrams, individually and as an officer of said corporations, hereinafter referred to as respondents, have violated the provisions of such Acts and the Rules and Regulations under 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 Artel Textile Co., Inc., and Armar Mfg. Co., Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York. Individual respondent Arthur Abrams is the President, of each of the corporate respondents. Said individual respondent formulates, directs and controls the acts, policies and practices of the said corporate respondents, including the acts and practices hereinafter referred to. All respondents have their office and principal place of business at 254 Fifth Avenue, New York, N.Y.

PAR. 2. Subsequent to the effective date of the Textile Fiber Products Identification Act on March 3, 1960, respondents have been and are now engaged in the introduction, delivery for introduction, manufacture for introduction, sale, advertising and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and have sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which had been advertised or offered for sale in commerce; and have sold, offered for sale, advertised, delivered, transported, and caused to be transported, after shipment in commerce, textile fiber products, either 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.

PAR. 3. Certain of said textile fiber products were misbranded by respondents within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, invoiced, advertised or otherwise identified as to the name or amount of the constituent fibers contained therein.

Among such textile fiber products, but not limited thereto, were draperies labeled by respondents as "Fibreglaze", which together with other information on the label represented, either directly or by implication, that the said draperies were composed of glass fibers whereas in truth and in fact such fabric did not contain glass fibers.

PAR. 4. Certain of said textile fiber products were further misbranded by respondents in that they were not stamped, tagged or labeled as required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act, and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded textile fiber products, but not limited thereto, were textile fiber products namely, draperies, with labels which:

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- (a) Failed to disclose the true generic names of the fibers present.
- (b) Failed to disclose the percentage of such fibers.
- (c) Failed to set forth the name, or other identification issued and registered by the Commission, of the manufacturer of the product or one or more persons subject to Section 3 of the Textile Fiber Products Identification Act with respect to such product.

PAR. 5. Certain of said textile fiber products were misbranded in violation of the Textile Fiber Products Identification Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

(a) The label required to be on or affixed to the textile fiber product was not conspicuously affixed to the product, in violation of Rule 15 of the aforesaid Rules and Regulations.

(b) All parts of the required information was not set forth conspicuously and separately on the same side of the label in such a manner as to be clearly legible and readily accessible to the prospective purchaser, in violation of Rule 16(b) of the said Rules and Regulations.

(c) Non-required information and representations on labels interfered with, minimized, detracted from, and conflicted with the required information on such labels, in violations of Rule 16(c) of the said Rules and Regulations.

(d) Non-required information was used on labels in such a way as to be false, deceptive and misleading as to fiber content, in violation of Rule 16(c) of the said Rules and Regulations.

Among such non-required information but not limited thereto, was the word "Fibreglaze" a trademark which represented, either directly or by implication, that the said product was composed of glass fibers when such was not the fact.

(e) Words, symbols or depictions constituting or implying the name or designation of a fiber which was not present in the product appeared on the label, in violation of Rule 18 of the said Rules and Regulations.

PAR. 6. Respondents have failed to maintain proper records showing the fiber content of the textile fiber products manufactured by them, in violation of Section 6(a) of the Textile Fiber Products Identification Act and Rule 39 of the Rules and Regulations promulgated thereunder.

PAR. 7. The respondents have furnished false guaranties that their textile fiber products were not misbranded, in violation of Section 10 of the Textile Fiber Products Identification Act.

PAR. 8. The acts and practices of respondents, as set forth above, are in violation of the Textile Fiber Products Identification Act 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 under 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 Textile Fiber Products Identification Act, 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

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 Artel Textile Co., Inc., and Armar Mfg. Co., Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York, with their offices and principal place of business located at 254 Fifth Avenue, in the city of New York, State of New York.

Respondent Arthur Abrams is an officer of 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, Artel Textile Co., Inc., a corporation and its officers, Armar Mfg. Co., Inc., a corporation, and its officers, and Arthur Abrams, individually and as an officer of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, ad-

vertising or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its 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:

1. Misbranding textile fiber products by:

A. Falsely or deceptively stamping, tagging, labeling, invoicing, advertising or otherwise identifying such products:

(1) As to the name or amount of the constituent fibers contained therein.

(2) By using the term "fibreglaze" or any other term of similar import or meaning or otherwise representing in any manner, directly or by implication, that the said textile fiber products are composed of glass fibers, when such is not the case.

B. Failing to affix labels to such textile fiber products:

(1) Showing each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

(2) Which are conspicuous and appropriate to the nature and type of product.

(3) Setting forth information required in Section 4(b) of the Textile Fiber Products Identification Act conspicuously and separately on the same side of the label in such a manner as to be clearly legible and readily accessible to the prospective purchaser.

C. Setting forth on labels non-required information which interferes with, minimizes, detracts from, or conflicts with information required by Section 4(b) of the Textile Fiber Products Identification Act.

D. Using the term "fibreglaze" or any other non-required information on labels in such a way as to be false, deceptive and misleading as to fiber content.

E. Setting forth on labels words, symbols, or depictions which constitute or imply the name or designation of a fiber which is not present in the product.

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F. Using the term "fibreglaze" or any other words, symbols or depictions of similar import on labels affixed to textile fiber products where glass fibers are not present in the product.

2. Failing to maintain and preserve for at least 3 years proper records showing the fiber content of textile fiber products manufactured by them, as required by Section 6(a) of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

3. Furnishing false guaranties that textile fiber products are not misbranded or otherwise misrepresented 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 Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.