

4. That any article of merchandise is guaranteed unless the nature and extent of the guarantee and the manner in which the guarantor will perform are clearly and conspicuously disclosed. *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

ARONOFF & RICHLING, INC., ET AL.

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

Docket C-255. Complaint, Oct. 17, 1962—Decision, Oct. 17, 1962

Consent order requiring New York City manufacturers of wearing apparel to cease violating the Flammable Fabrics Act by furnishing customers with a false guaranty with respect to certain highly flammable ladies' dresses that tests made under provisions of said Act showed that such dresses were not so highly flammable as to be dangerous when worn.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Flammable Fabrics Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Aronoff & Richling, Inc., a corporation, and Sidney Richling, Lowell Aronoff, Abraham Aronoff, and Robert Silver, 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 Flammable Fabrics 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 Aronoff & Richling, Inc., is a corporation, duly organized, existing and doing business under and by virtue of the laws of the State of New York. Respondents Sidney Richling, Lowell Aronoff, Abraham Aronoff and Robert Silver are officers of the corporate respondent and formulate, direct, and control its policies, acts, and practices.

Complaint

61 F.T.C.

Respondents are manufacturers of articles of wearing apparel, including ladies' dresses, and have their office and principal place of business at 1400 Broadway, New York, N.Y.

PAR. 2. Respondents, subsequent to July 1, 1954, the effective date of the Flammable Fabrics Act, have manufactured for sale, 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, for the purpose of sale after sale and delivery in commerce; as "commerce" is defined in the Flammable Fabrics Act, articles of wearing apparel, as the term "article of wearing apparel" is defined therein, which articles of wearing apparel were, under Section 4 of the Flammable Fabrics Act, as amended, so highly flammable as to be dangerous when worn by individuals.

Among the articles of wearing apparel mentioned above were ladies' dresses.

PAR. 3. Respondents, subsequent to July 1, 1954 the effective date of the Flammable Fabrics Act, have manufactured for sale, sold, and offered for sale, articles of wearing apparel made of fabric which was, under Section 4 of the Flammable Fabrics Act, as amended, so highly flammable as to be dangerous when worn by individuals, and which fabric had been shipped or received in commerce, as the terms "article of wearing apparel", "fabric", and "commerce" are defined in the Flammable Fabrics Act.

Among the articles of wearing apparel mentioned above were ladies' dresses.

PAR. 4. Respondents, subsequent to July 1, 1954, have furnished their customers with a guaranty with respect to the articles of wearing apparel, mentioned in paragraphs 2 and 3 hereof, to the effect that, based upon a guaranty received, respondents guaranteed that reasonable and representative tests made under the procedures provided in Section 4 of the Flammable Fabrics Act, as amended, and the Rules and Regulations promulgated thereunder, showed that said articles of wearing apparel in the form delivered by the respondents, were not so highly flammable under the provisions of the Flammable Fabrics Act as to be dangerous when worn by individuals. There was reason for respondents to believe that the articles of wearing apparel covered by such guaranty might be introduced, sold, or transported in commerce.

Said guaranty was false, in that with respect to some of the said articles of wearing apparel, respondents had not received such a guaranty.

1083

Decision and Order

PAR. 5. The aforesaid acts and practices of respondents were and are in violation of the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder, and as such constitute unfair methods of competition and 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 Flammable Fabrics 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. Respondent, Aronoff & Richling, Inc., is corporation organized, existing and doing business under and by virtue of the laws of the State of New York. The said corporation has its office and principal place of business located at 1400 Broadway, New York, N.Y.

Respondents Sidney Richling, Lowell Aronoff, Abraham Aronoff and Robert Silver are officers of said corporation, and their address is the same as that of said corporation.

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 Aronoff & Richling, Inc., a corporation, and its officers, and Sidney Richling, Lowell Aronoff, Abraham Aronoff, and Robert Silver, individually and as officers of Aronoff & Richling, Inc., and respondents' representatives, agents and em-

ployees, directly or through any corporate or other device, do forthwith cease and desist from:

1. (a) Importing into the United States; or
(b) Manufacturing for sale, 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 article of wearing apparel 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.

2. Manufacturing for sale, selling, or offering for sale any article of wearing apparel made of fabric, which fabric has been shipped or received in commerce, and which, under Section 4 of the Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals.

3. Furnishing to any person a guaranty with respect to any article of wearing apparel or fabric which respondents, or any of them, have reason to believe may be introduced, sold or transported in commerce, which guaranty represents, contrary to fact, that reasonable and representative tests made under the procedures provided in Section 4 of the Flammable Fabrics Act, as amended, and the Rules and Regulations thereunder, show and will show that the article of wearing apparel, or the fabric used or contained therein, covered by the guaranty, is not, in the form delivered or to be delivered by the guarantor, so highly flammable under the provisions of the Flammable Fabrics Act as to be dangerous when worn by individuals, provided, however, that this prohibition shall not be applicable to a guaranty furnished on the basis of, and in reliance upon, a guaranty to the same effect received by respondents in good faith signed by and containing the name and address of the person by whom the article of wearing apparel or fabric was manufactured or from whom it was received.

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

JEROME G. PILE ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-256. Complaint, Oct. 17, 1962—Decision, Oct. 17, 1962*

Consent order requiring two individuals in Harwood Heights, Ill., manufacturers of fibercrete panels for swimming pools which they distributed along with other swimming pool accessories, to cease misrepresenting, in advertising for franchise distributors, the annual profits to be expected, their advertising and installation assistance and value thereof, permanence and maintenance-free qualities of the pools, guarantees and a display pool as given free.

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 Jerome G. Pile and Clifford C. Trudeau 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. Respondents are individuals and the former officers of Swim Queen Pool Company, a corporation organized, existing and formerly doing business under and by virtue of the laws of the State of Illinois, with its principal place of business and office located at 2301 East Oakton Street, Arlington Heights, Ill. Respondents, prior to the filing by the corporation of a Voluntary Petition in Bankruptcy on June 5, 1962, formulated, directed and controlled the acts and practices of Swim Queen Pool Company including the acts and practices hereinafter set forth. The address of Jerome G. Pile is 2301 East Oakton Street, Arlington Heights, Ill. The address of Clifford C. Trudeau is 5048 North Octavia Street, Harwood Heights, Ill.

PAR. 2. Swim Queen Pool Company and respondents, for some time last past, have been engaged in the manufacture, offering for sale, sale and distribution of fibercrete panels for swimming pools. Respondents also participated in the sale of terrazzocrete and fiberglass panels, concrete and other swimming pool accessories. Respondents effected the sale of said materials to franchise dealers and/or distributors (hereinafter referred to as franchise dealers) who retailed and installed the swimming pools.