

IN THE MATTER OF

CHARMOLL FASHIONS, INC., ET AL.

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

Docket C-283. Complaint, Dec. 18, 1962—Decision, Dec. 18, 1962

Consent order requiring manufacturers in St. Paul, Minn., to cease violating the Wool Products Labeling Act by falsely labeling the shell of men's and boys' jackets as "100% reprocessed wool", the lining as "100% rayon" and the interlining as "70% reprocessed wool and 30% other fibers" when shell, lining and interlining contained substantially different amounts of fibers than thus set forth; and by failing to show the true generic name of fibers present and the percentage thereof on other clothing labels.

Complaint

61 F.T.C.

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 Charmoll Fashions, Inc., a corporation, and Harry Saffe and Harry Katz, 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 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 Charmoll Fashions, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Minnesota.

Individual respondents Harry Saffe and Harry Katz are officers of the corporate respondent and formulate, direct and control the acts, practices and policies of the corporate respondent, Charmoll Fashions, Inc., including those hereinafter set forth.

Respondents are manufacturers of wool products, namely, men's and boys' clothing, and have their office and principal place of business at 317 Sibley Street, St. Paul, Minn.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, and more especially since 1959, respondents have manufactured for introduction into commerce, 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, tagged, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Among such misbranded wool products, but not limited thereto, were men's and boys' jackets labeled or tagged by the respondents to show that the shell of the jacket was 100% reprocessed wool, that the lining was 100% rayon and that the interlining was 70% reprocessed wool and 30% other fibers, whereas, in truth and in fact, the said shell, lining and interlining contained substantially different amounts of fibers than that set forth on the labels in each instance.

PAR. 4. Certain of said wool products were 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 men's and boys' clothing with labels which failed:

1. To show the true generic name of the fibers present, and
2. To show 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.

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

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, Charmoll Fashions, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Minnesota, with its office and principal place of business located at 317 Sibley Street, in the city of St. Paul, State of Minnesota.

Respondents Harry Saffe and Harry Katz 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 Charmoll Fashions, Inc., a corporation, and its officers, and Harry Saffe and Harry Katz, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the manufacture for introduction into commerce, the introduction into commerce, or the offering for sale, sale, transportation, delivery for shipment or distribution, in commerce, of men's and boys' clothing 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 wool 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 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
MANUFACTURING CHEMISTS' ASSOCIATION, INC., ET AL.