

IN THE MATTER OF
ALIX OF MIAMI, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT

Docket C-306. Complaint, Jan. 25, 1963—Decision, Jan. 25, 1963

Consent order requiring a Miami, Fla., manufacturer of dresses, sportswear, and bathing suits to cease representing falsely that its products made of domestic fabrics were of foreign origin by affixing to them tags bearing the phrase "Fabric Imported from Italy".

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 Alix of Miami, Inc., a corporation, and Alix Schneidman, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Act, and it appearing to the Commission that

Complaint

62 F.T.C.

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 Alix of Miami, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida, with its principal office and place of business located at 2700 N.W. Fifth Avenue, in the city of Miami, State of Florida.

Respondent Alix Schneidman is an officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the manufacture, offering for sale, sale and distribution of dresses, sportswear, bathing suits and other articles of wearing apparel to wholesalers and retailers for resale to the public.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their said products, when sold, to be shipped from their place of business in the State of Florida to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained, a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 4. Respondents for the purpose of inducing the purchase of certain of their items of wearing apparel have engaged in the practice of affixing thereto tags or labels bearing the following phrase "Fabric Imported from Italy" thereby representing that such items of wearing apparel were made of fabric manufactured in Italy. In truth and in fact, the items of wearing apparel were made of fabric manufactured in the United States and the fabric was not imported from Italy. Therefore, the aforesaid statement and representation was false, misleading and deceptive.

PAR. 5. By the aforesaid practice, respondents place in the hands of wholesalers and retailers the means and instrumentalities by and through which they may mislead the public as to the country of origin of the fabric of which said articles of wearing apparel are made.

PAR. 6. In the conduct of their business, at all times mentioned herein, respondents have been in substantial competition, in commerce, with corporations, firms and individuals in the sale of products of the same general kind and nature as those sold by respondents.

PAR. 7. The use by respondents of the aforesaid false, misleading and deceptive statements, representations and practices has had, and now has, the capacity and tendency to mislead members of the purchas-

ing public into the erroneous and mistaken belief that said statements and representations were and are true and into the purchase of substantial quantities of respondents' products by reason of said erroneous and mistaken belief.

PAR. 8. The aforesaid acts and practices of respondents, as herein alleged, were and are all to the prejudice and injury of the public and of respondents' competitors and constituted, and now constitute, unfair methods of competition in commerce and unfair and deceptive acts and practices in commerce, in violation of Section 5 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 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, Alix of Miami, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Florida, with its office and principal place of business located at 2700 N.W. Fifth Avenue, in the city of Miami, State of Florida.

Respondent Alix Schneidman is an officer of said corporation and his 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 Alix of Miami, Inc., a corporation, and its officers, and Alix Schneidman, individually, and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in con-

Complaint

62 F.T.C.

nection with the offering for sale, sale or distribution of dresses, sportswear, bathing suits or any other article of wearing apparel, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that fabric manufactured in the United States is imported from Italy or otherwise misrepresenting the country of origin of fabric in any manner.
2. Furnishing any means or instrumentality to others whereby they may mislead or deceive the public as to any of the matters or things prohibited in Paragraph 1 hereof.

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.