

THE ACADIA COMPANY, 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-827. Complaint, Sept. 9, 1964—Decision, Sept. 9, 1964

Consent order requiring New York City manufacturers and converters of textile fabrics to cease violating the Wool Products Labeling Act by such practices as labeling fabrics falsely as containing "85% reprocessed cashmere, 15% nylon," failing to disclose on wool fabric labels the percentage of the total fiber weight of the constituent fibers, and using the word "cashmere" in lieu of "wool" on labels without setting forth the correct percentage of the cashmere.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939 and by virtue of the

Complaint

66 F.T.C.

authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that The Acadia Company, Inc., a corporation and Archie I. Thurman, Harry Rosenzweig and Marvin Weissman, individually and as officers of said corporation, hereinafter referred to as respondents, have violated the provisions of the 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. Respondent The Acadia Company, Inc., is a corporation, organized, existing and doing business under and by virtue of the laws of the State of New York.

Individual respondents, Archie I. Thurman, Harry Rosenzweig and Marvin Weissman are officers of said corporation. They cooperate in formulating, directing and controlling the acts, policies and practices of the corporate respondent including the acts and practices hereinafter referred to.

Respondents are converters and distributors of fabrics with their office and principal place of business located at 229 West 36th Street, New York, New York.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939, respondents have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped 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 fabrics were misbranded by 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 stamped, tagged, labeled 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 fabrics stamped, tagged, labeled or otherwise identified as containing 85% reprocessed cashmere, 15% nylon, whereas in truth and in fact, said fabric contained substantially different amounts of fibers than represented.

PAR. 4. Certain of said wool products were further misbranded by respondents in that they were not stamped, tagged, labeled or otherwise identified 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 certain fabrics with labels on or affixed thereto which failed to disclose the percentage of the total fiber weight of the wool product, exclusive of ornamentation, but not exceeding five percentum of said total fiber weight of: (1) woolen fibers; (2) each fiber other than wool if said percentage by weight of such fiber is five percentum or more; (3) the aggregate of all other fibers.

PAR. 5. Certain of said fabrics were misbranded in violation of the Wool Products Labeling Act of 1939, in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder, in that the term "cashmere" was used in lieu of the word "wool" in setting forth the required fiber content information on labels affixed to fabrics without setting forth the correct percentage of the cashmere, in violation of Rule 19 of the Rules and Regulations under the Wool Products Labeling Act of 1939.

PAR. 6. 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, and 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 The Acadia Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York, with its office and principal place of business located at 229 West 36th Street, in the city of New York, State of New York.

Respondents Archie I. Thurman, Harry Rosenzweig and Marvin Weissman 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 respondent the Acadia Company, Inc., a corporation and its officers, and Archie I. Thurman, Harry Rosenzweig and Marvin Weissman, 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 introduction or manufacture for introduction into commerce, or the offering for sale, sale, transportation, distribution or delivery for shipment, or shipment 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 and deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of constituent fibers contained therein.

2. Failing to securely affix to, or place on, each such 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.

3. Using the term "cashmere" in lieu of the word "wool" in setting forth the required fiber content information on labels affixed to wool products without setting forth the correct percentage of the cashmere present.

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

PAPERMAKERS FELT ASSOCIATION ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION ACT*Docket C-828. Complaint, Sept. 9, 1964—Decision, Sept. 9, 1964*

Consent order requiring a trade association of papermakers felts and its members to cease conspiring to fix and maintain prices and terms of sale, using a zone pricing system, requiring customers to accept shipments within specified times, and engaging in other trade restraints.

COMPLAINT

The Federal Trade Commission, having reason to believe that the respondents named in the caption hereof, and hereinafter more particularly designated and described, have violated and are now violating Section 5 of the Federal Trade Commission Act (U.S.C., Title 15, Section 45), 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 with respect thereto as follows:

PARAGRAPH 1. Respondent Papermakers Felt Association, hereinafter sometimes referred to as the "respondent association," is an unincorporated trade association, with its principal office and place of business located at 1215 Unity Street, Philadelphia, Pennsylvania, having as its members the respondent manufacturers hereinafter described, and has been in continuous existence since the year 1924.

Respondent Albany Felt Company is a corporation organized and existing under the laws of the State of New York, with its principal office and place of business located at 1373 Broadway, Albany, New York, and is, and continuously has been, a member of respondent association since the year 1924.

Respondent Appleton Mills is a corporation organized and existing under the laws of the State of Wisconsin, with its principal office and place of business located at 614 South Oneida Street, Appleton, Wisconsin, and is, and continuously has been, a member of respondent association since the year 1924.

Respondent Draper Brothers Company is a corporation organized and existing under the laws of the State of Massachusetts, with its principal office and place of business located at 23 Draper Lane, Canton, Massachusetts, and is, and continuously has been, a member of respondent association since the year 1924.