

tains any of the representations 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.

IN THE MATTER OF

THE GEORGE E. DUFFY MANUFACTURING CO. ET AL.

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

Docket C-865. Complaint, Dec. 16, 1964—Decision, Dec. 16, 1964

Consent order requiring a Worcester, Mass., manufacturer and distributor of woolen fabrics to cease violating the Wool Products Labeling Act by such practices as labeling and invoicing certain fabrics "65% reprocessed wool and 35% rayon" and "70% reprocessed wool, 25% rayon, and 5% nylon," which contained substantially different quantities of such fibers.

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 The George E. Duffy Manufacturing Co., a corporation, and its officers, and Ralph E. Duffy, individually and as an officer of said corporation, and Herman P. Riccius, individually and as a former officer 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 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 George E. Duffy Manufacturing Co., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its

office and principal place of business located at 1511 Main Street, Worcester, in the Commonwealth of Massachusetts.

Respondent Ralph E. Duffy is an officer of said corporation. Respondent Herman P. Riccius is a former officer of said corporation and is now retired. During all times material to this proceeding they formulated, directed and controlled the policies, acts and practices of said corporation. The address of Ralph E. Duffy is the same as that of said corporation and that of Herman P. Riccius is 39 William Street, Worcester, Massachusetts.

The respondent corporation is a manufacturer of woolen fabrics composed mostly of reprocessed wool which is sold through the sales office of Benedict F. Cramer to its customers.

PAR. 2. Subsequent to the effective date of the Wool Products Labeling Act of 1939 respondents have introduced into commerce, manufactured for introduction into commerce, sold, transported, distributed, delivered for shipment and offered for sale in commerce, wool products, as the terms "commerce" and "wool product" are defined in said Act.

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 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, labeled or tagged by the respondents as "65% reprocessed wool and 35% rayon" and "70% reprocessed wool, 25% rayon, 5% nylon," whereas, in truth and in fact, said products contained substantially different quantities of such fibers and other fibers which were not disclosed.

PAR. 4. Certain of such wool products were further misbranded by the 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 the said Act.

Among such misbranded wool products, but not limited thereto, were 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, not exceeding 5 per centum of said total fiber weight of, (1) woolen fibers; (2) each fiber other than wool if said percentage

by weight of such fiber is 5 per centum or more; and (3) the aggregate of all other fibers.

PAR. 5. The acts and practices of respondents as set forth above were, and are, in violation of the Wool Products Labeling Act of 1939 and of 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.

PAR. 6. Respondents have been engaged in the offering for sale, sale and distribution of products, namely fabrics, to manufacturers and also to jobbers who, in turn, distribute the fabrics to customers throughout the United States. The respondents, at all times mentioned herein, have maintained a substantial course of trade of said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 7. Respondents, in the course and conduct of their business as aforesaid, have made statements on invoices to their customers misrepresenting the character and fiber content of certain of their said products.

Among such misrepresentations, but not limited thereto, were statements representing certain fabrics to be "65% reprocessed wool and 35% rayon" and "70% reprocessed wool, 25% rayon, and 5% nylon," whereas, in truth and in fact, said fabrics contained substantially different quantities of the fibers than were represented and other fibers which were not disclosed.

PAR. 8. The acts and practices set out in Paragraph Seven have had, and now have, the tendency and capacity to mislead and deceive purchasers of said fabrics as to the true content thereof, and to cause them to misbrand products manufactured by them in which said materials are used.

PAR. 9. The acts and practices of the respondents as set forth in Paragraph Seven were, and are, all to the prejudice and injury of the public, and constituted, and now constitute, 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 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 The George E. Duffy Manufacturing Co., is a corporation organized, existing and doing business under and by virtue of the laws of the Commonwealth of Massachusetts, with its office and principal place of business located at 1511 Main Street, in the city of Worcester, Commonwealth of Massachusetts.

Respondent Ralph E. Duffy is an officer of said corporation and his address is the same as that of said corporation.

Respondent Herman P. Riccius is a former officer of said corporation, and his address is 39 William Street, in the city of Worcester, Commonwealth of Massachusetts.

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 The George E. Duffy Manufacturing Co., a corporation, and its officers, and Ralph E. Duffy, individually and as an officer of said corporation, and Herman P. Riccius, individually and as a former officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, manufacture for introduction into commerce, or the offering for sale, sale, transportation, delivery for shipment, or distribution, in commerce, of woolen 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 wool products by:

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(1) Falsely or deceptively stamping, tagging, labeling or otherwise identifying such products as to the character or amount of constituent fibers included 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.

It is further ordered, That respondents The George E. Duffy Manufacturing Co., a corporation, and its officers, and Ralph E. Duffy, individually and as an officer of said corporation, and Herman P. Riccius, individually and as a former officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of fabrics or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of constituent fibers contained in such products on invoices applicable thereto, or in any other manner.

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

SUN-CAL COAT & SUIT MFG. CO. ET AL.