

IN THE MATTER OF  
ROYAL OIL CORPORATION ET AL.

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

*Docket 6702. Complaint, Jan. 8, 1957—Decision, Sept. 19, 1966*

Order reopening and modifying an earlier order, 54 F.T.C. 1292, dated April 7, 1958, requiring a marketer of lubricating oil to cease advertising its product without disclosing that the oil is re-refined or reprocessed, by ordering that such disclosure be made on the front panel or panels of the containers.

ORDER REOPENING PROCEEDING AND MODIFYING ORDER TO CEASE  
AND DESIST

The Commission on April 7, 1958 [54 F.T.C. 1292], having issued its order to cease and desist against respondents herein providing in part as follows:

*It is ordered,* That respondent Royal Oil Corporation, a corporation, and its officers, and respondent Irving H. Weil as an officer of said corporate respondent, and respondents Alden C. Jocelyn (erroneously referred to in the complaint as Alden C. Jocelin) and Joseph A. Inciardi, individually and as officers of said corporate respondent, and respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution in commerce, as "commerce" is

Order

70 F.T.C.

defined in the Federal Trade Commission Act, of lubricating oil, do forthwith cease and desist from:

(1) Advertising, offering for sale or selling, any lubricating oil which is composed in whole or in part of oil which has been reclaimed or in any manner processed from previously used oil, without disclosing such prior use to the purchaser or potential purchaser in advertising and in sales promotion material, and by a clear and conspicuous statement to that effect on the container;

(2) Representing in any manner that lubricating oil composed in whole or in part of oil that has been manufactured, reprocessed or re-refined from oil that has been previously used for lubricating purposes, has been manufactured from oil that has not been previously used.

And the Commission having on August 9, 1966, served upon respondents its order to show cause why this proceeding should not be reopened and Paragraph (1) of its order of April 7, 1958, be modified to require a statement of the oil's prior use on the front panel or panels of the oil containers, and

Respondents by their attorney in their answers dated August 20, 1966, and September 8, 1966, having stated that they have no objection to the rewording of the order as proposed in the Commission's order to show cause, and

The Commission being of the opinion that the public interest will be best served by modifying its order of April 7, 1958,

*It is ordered*, That the proceeding herein be, and it hereby is, reopened and the Commission's order of April 7, 1958 [54 F.T.C. 1292], be, and it hereby is, modified by substituting the following paragraph for Paragraph (1) contained in that order:

(1) Advertising, offering for sale or selling, any lubricating oil which is composed in whole or in part of oil which has been reclaimed or in any manner processed from previously used oil, without disclosing such prior use to the purchaser or potential purchaser in the advertising and sales promotion material, and by a clear and conspicuous statement to that effect on the front panel or front panels of the container.

## Certification of Record

## IN THE MATTER OF

SHIP 'n SHORE, INC., ET AL

MODIFIED ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF  
THE FEDERAL TRADE COMMISSION ACT*Docket 8161. Complaint. Nov. 4, 1960—Decision, Sept. 19, 1966*

Order modifying an earlier order dated May 16, 1961, 58 F.T.C. 757, which prohibited an Upland, Pa., manufacturer of women's and children's clothing from falsely advertising and labeling certain of its textiles as "madras," by providing that if the fabric does resemble the India madras cloth the term "madras" may be used in any nondeceptive phrase or statement. The order also dismisses the complaint as to individual respondent William Netzky.

CERTIFICATION OF RECORD WITH FINDINGS OF FACT, CONCLUSIONS,  
AND RECOMMENDATIONS THEREON, IN CONFORMITY WITH COM-  
MISSION'S ORDER DIRECTING HEARINGS ISSUED MARCH 11, 1966  
AUGUST 9, 1966

By petition filed on January 7, 1966, respondents requested that this proceeding be reopened and the order to cease and desist, heretofore issued by the Commission on May 16, 1961, be set aside. In the alternative, respondents requested that they be granted a hearing on their request pursuant to § 3.28(b) (3) of the Rules of Practice. Additionally, the individual respondent requested that the order be set aside as to him in his individual capacity. The Director, Bureau of Deceptive Practices, filed an answer in opposition to the petition.

Upon consideration of the petition to reopen the proceeding and set aside the cease and desist order now in effect therein, the Commission concluded that the pleadings raised substantial factual issues and granted respondents' alternative request for a hearing on the issues presented.

The Commission's decision of May 16, 1961, was based on an agreement containing a consent order. By the terms thereof, respondents agreed to cease and desist from:

Using the word "madras" or any simulations thereof, either alone or in connection with other words to designate, describe, or refer to any fabric or other textile product which is not in fact made of fine cotton, handloomed and imported from India, and if the cloth is other than natural in color, has not been dyed with bleeding vegetable dyes.