

IN THE MATTER OF  
WILLIAM I. ROSS TRADING AS DERBY OF SAN FRANCISCO  
CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE  
FEDERAL TRADE COMMISSION, THE WOOL PRODUCTS LABELING,  
AND THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACTS

*Docket C-1263. Complaint, Oct. 12, 1967—Decision, Oct. 12, 1967*

Consent order requiring a San Francisco, Calif., manufacturer of men's sportswear to cease misbranding his wool and textile fiber products, failing to maintain required records, and furnishing false guaranties.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification Act, and by virtue of the authority vested in its by said Acts, the Federal Trade Commission, having reason to believe that William I. Ross, an individual trading as Derby of San Francisco, hereinafter referred to as respondent, has violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification 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 is an individual trading as Derby of San Francisco under and by virtue of the laws of the State of California. Respondent maintains his office and principal place of business at 51 First Street, San Francisco, California.

Respondent is a manufacturer of men's sportswear, including both wool and textile products.

PAR. 2. Respondent now, and for sometime last past, has been and is now engaged in the introduction, delivery for introduction, manufacture for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products; and has sold, offered for sale, advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and has sold, offered for sale, advertised, delivered, transported and caused to be transported, after shipment in commerce, textile fiber products, either in their original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act.

PAR. 3. Certain of said textile fiber products were misbranded by respondent in that they were not stamped, tagged, labeled, or otherwise identified as required under the provisions of Section 4(b) of the Textile Fiber Products Identification Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded textile fiber products, but not limited thereto, were certain textile fiber products either without labels or with labels which failed to show in words and figures plainly legible the information required under Section 4(b) of the Textile Fiber Products Identification Act.

PAR. 4. Respondent has failed to maintain proper records showing the fiber content of the textile fiber products manufactured by him, in violation of Section 6 of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

PAR. 5. Respondent has furnished false guaranties that his textile fiber products were not misbranded in violation of Section 10 of the Textile Fiber Products Identification Act.

PAR. 6. Certain of said textile fiber products were misbranded in violation of the Textile Fiber Products Identification Act in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respects:

1. The generic names and percentages by weight of the constituent fibers present in the textile fiber products, exclusive of permissive ornamentation, in amounts of five per centum or more or fibers disclosed in accordance with Paragraph (b) of Rule 3

of the said Rules and Regulations did not appear in order of predominance by weight, in violation of Rule 16(a) of the aforesaid Rules and Regulations.

2. Fiber trademarks were used on labels without the generic names of the fibers appearing on such labels in immediate conjunction with such fiber trademarks and in type or lettering of equal size and conspicuousness therewith, in violation of Rule 17(a) of the aforesaid Rules and Regulations.

PAR. 7. The acts and practices of respondent as set forth above were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices, in commerce, within the intent and meaning of the Federal Trade Commission Act.

PAR. 8. Respondent now, and for sometime last past has 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 the Wool Products Labeling Act of 1939, wool products as the term "wool product" is defined therein.

PAR. 9. Certain of said wool products were misbranded by respondent 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 certain wool products with fiber content labels marked as 50% wool, 50% reprocessed wool, whereas, in truth and in fact, said products contained substantially different fibers and amounts of fibers than represented.

PAR. 10. Certain of said wool products were misbranded by respondent 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, was a wool sport jacket with a label on or affixed thereto which failed to disclose the percentage of the total fiber weight of the said wool product, exclusive of ornamentation not exceeding 5

per centum of the total fiber weight, of (1) wool; (2) reprocessed wool; (3) reused wool; (4) each fiber other than wool, when said percentage by weight of such fiber was 5 per centum or more; and (5) the aggregate of all other fibers.

PAR. 11. Certain of said wool products 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 items or parts of the required information were not set forth in the stamp, tag, label or other mark of identification of the product, consecutively and separately on the outer surface of the label in immediate conjunction with each other, in type or lettering plainly legible and conspicuous, in violation of Rule 10(a) of the said Rules and Regulations.

PAR. 12. The acts and practices of respondent 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 methods of competition in commerce and 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 respondent named in the caption hereof with violation of the Federal Trade Commission Act, the Wool Products Labeling Act of 1939 and the Textile Fiber Products Identification Act, and the respondent 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 respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent 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 respondent that the law has been violated as alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission, having considered the agreement and having accepted same, and the agreement containing consent order having thereupon been placed on the public record for a period of 30 days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby issues its complaint

in the form contemplated by said agreement, makes the following jurisdictional findings, and enters the following order:

1. Respondent William I. Ross is an individual trading as Derby of San Francisco with his office and principal place of business at 51 First Street, San Francisco, California.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

#### ORDER

*It is ordered*, That respondent William I. Ross, an individual trading as Derby of San Francisco or any other name, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding such products by:

1. Failing to affix a stamp, tag, label, or other means of identification to each such product showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Section 4 (b) of the Textile Fiber Products Identification Act.

2. Failing to label textile fiber products so that the generic names and percentages by weight of the constituent fibers present therein, exclusive of permissive ornamentation, in amounts of five per centum or more and fibers disclosed in accordance with Paragraph (b) of Rule 3 of the aforementioned Rules and Regulations, appear in order of predominance by weight.

3. Using a fiber trademark in conjunction with the

required information on labels affixed to said textile fiber products without the generic name of the fiber appearing on said labels in immediate conjunction therewith and in type or lettering of equal size and conspicuousness.

B. Failing to maintain and preserve proper records showing the fiber content of the textile fiber products manufactured by said respondent, as required by Section 6 of the Textile Fiber Products Identification Act and Rule 39 of the Regulations promulgated thereunder.

*It is further ordered,* That respondent William I. Ross, an individual trading as Derby of San Francisco or any other name, and respondent's representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any textile fiber product is not misbranded or falsely invoiced under the provisions of the Textile Fiber Products Identification Act.

*It is further ordered,* That respondent William I. Ross, an individual trading as Derby of San Francisco or any other name, and respondent's 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, delivery for shipment or shipment, in commerce, of 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 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 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. Failing to label said wool products so that items or parts of the required information are set forth on the stamp, tag, label or other mark of identification of the product, consecutively and separately on the outer surface of the label in immediate conjunction with each other, in type or lettering plainly legible and conspicuous, as required by Rule 10(a) of the said Rules and Regulations.

*It is further ordered,* That the respondent herein shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

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