

Complaint

IN THE MATTER OF

HELEN WONG, INC., ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FLAMMABLE FABRICS ACTS*Docket C-1295. Complaint, Feb. 5, 1968—Decision, Feb. 5, 1968*

Consent order requiring a Los Angeles, Calif., distributor of wearing apparel and fabrics to cease importing and selling dangerously flammable fabrics and furnishing false guaranties to customers.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Flammable Fabrics Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Helen Wong, Inc., a corporation, and Jacob Chang, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Flammable Fabrics 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 Helen Wong, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California. Respondent Jacob Chang is the president of the said corporate respondent. He formulates, directs and controls the acts, practices and policies of said corporation.

The respondents are engaged in the importation, sale and distribution of wearing apparel and fabrics, with their office and principal place of business located at 127 East 9th Street, Los Angeles, California.

PAR. 2. Respondents, now and for some time last past, have sold and offered for sale, in commerce; have imported into the United States; and have introduced, delivered for introduction, transported, and caused to be transported, in commerce; and have transported and caused to be transported for the purpose of sale or delivery after sale, in commerce; as "commerce" is defined in the Flammable Fabrics Act, fabric, as that term is defined therein, which fabric was, under Section 4 of the Flammable Fabrics Act, as amended, so highly flammable as to be dangerous when worn by individuals.

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PAR. 3. Respondents furnished false guaranties under Section 8(b) of the Flammable Fabrics Act with respect to certain of their products by falsely representing in writing that respondents had a continuing guaranty on file with the Federal Trade Commission when respondents in furnishing such guaranties had reason to believe that the products so falsely guaranteed would be introduced, sold, transported, and distributed in commerce, in violation of Rule 10(d) of said Rules and Regulations under the Flammable Fabrics Act and Section 8(b) of said Act.

PAR. 4. The aforesaid acts and practices of respondents were and are in violation of the Flammable Fabrics Act and the Rules and Regulations promulgated thereunder, and as such 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.

DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondents named in the caption hereof, and the respondents having been furnished thereafter with a copy of a draft of complaint which the Bureau of Textiles and Furs proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondents with violation of the Federal Trade Commission Act and the Flammable Fabrics Act; and

The respondents and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondents of all the jurisdictional facts set forth in the aforesaid draft of complaint, 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 alleged in such complaint, and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondents have violated the said Acts, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of thirty (30) days, now in further conformity with the procedure prescribed in § 2.34(b) of its Rules, the Commission hereby

issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Helen Wong, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of California, with its office and principal place of business located at 127 East 9th Street, Los Angeles, California.

Respondent Jacob Chang 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 Helen Wong, Inc., a corporation, and its officers, and Jacob Chang, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from:

(a) Importing into the United States; or

(b) Selling, offering for sale, introducing, delivering for introduction, transporting, or causing to be transported, in commerce, as "commerce" is defined in the Flammable Fabrics Act; or

(c) Transporting or causing to be transported, for the purpose of sale or delivery after sale in commerce,

any fabric which, under the provisions of section 4 of the said Flammable Fabrics Act, as amended, is so highly flammable as to be dangerous when worn by individuals.

It is further ordered, That respondents Helen Wong, Inc., and its officers, and Jacob Chang, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fabric is not so highly flammable as to be dangerous when worn by individuals when respondents have reason to believe such fabric may be introduced, sold, or transported in commerce.

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.

CERTIFICATION OF RECORD

73 F.T.C.

IN THE MATTER OF

DEVCON CORPORATION ET AL.

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

Docket C-607. Complaint, Oct. 11, 1963—Decision, Feb. 6, 1968

Order modifying a consent order of October 11, 1963, 63 F.T.C. 1034, by allowing the respondent company to use the trade name "Plastic Steel": *Provided*, That its use in advertising or on labels has qualifying language that it is "A Steel-Filled Epoxy Resin" and will not withstand extreme heat nor conduct electricity.

Mr. Frank P. Dunn for the Commission.

Mr. William Warfield Ross, of Wald, Harkrader and Rockefeller,
Washington, D.C., for respondents.

CERTIFICATION OF RECORD BY WILLIAM K. JACKSON, HEARING EXAMINER

MAY 12, 1967

Preliminary Statement

This proceeding derives from a Consent Order issued by the Commission on October 11, 1963 [63 F.T.C. 1034], requiring in pertinent part that respondents cease and desist from:

1. (a) Using the words "steel" or "aluminum" or any other word or words denominating metallic substances in brand names to designate, describe or refer to a product that consists principally of non-metallic ingredients: *Provided, however*, That if a product contains a metallic substance in some form, the percentage thereof may be stated.

On October 25, 1965, the Commission issued its order to show cause why the October 11, 1963, cease and desist order should not be modified so that the thrust of the order provision is to the metallic properties of the products rather than to their metallic content and thus in pertinent part should read as follows:

1. (a) Using the words "steel" or "aluminum" or any other word or words denominating metallic substances in brand names to designate, describe or refer to a product which, after application, does not have the same physical and chemical properties of metal and of any particular metal represented: *Provided, however*, That nothing herein contained shall prohibit truthful representations in advertising and labeling of the percentage of content of any metallic substances in such products.