

IN THE MATTER OF
KINGSLEY COATS, INC., DOING BUSINESS AS
KINGSLEY-PARKMOOR ET AL.

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

Docket C-1375. Complaint, July 12, 1968—Decision, July 12, 1968

Consent order requiring two affiliated manufacturers of ladies' wool and fur trimmed coats and suits to cease misbranding, improperly invoicing, and falsely guaranteeing their wool, fur, and textile fiber products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, the Fur Products Labeling Act and the Textile Fiber Products Identification Act and by virtue of the authority vested in it by said Acts, the Federal Trade Commission, having reason to believe that Kingsley Coats, Inc., a corporation, doing business as Kingsley-Parkmoor, and Charles Goldberg, individually and as an officer of the said corporation and Frank De Vito individually and as factory manager of the said corporation and Parkmoor, Inc., a corporation doing business under its own name and as Kingsley-Parkmoor, hereinafter referred to as respondents, have violated the provisions of the Wool Products Labeling Act of 1939, the Fur Products Labeling Act and the Textile Fiber Products Identification Act and the Rules and Regulations promulgated under the said Acts, and it appears 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. Proposed respondent Kingsley Coats, 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 512 Seventh Avenue, New York, New York.

Proposed respondent Parkmoor, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware with its office and principal place of business

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located at 238 Lewis Street, Paterson, New Jersey.

Proposed respondent Charles Goldberg, is an officer of Kingsley Coats, Inc. He formulates, directs and controls the acts and practices and policies of the said corporation. His office and principal place of business is the same as that of Kingsley Coats, Inc.

Proposed respondent Frank De Vito is the factory manager of Kingsley Coats, Inc. He is responsible for all factory operations. His office and principal place of business is located at 238 Lewis Street, Paterson, New Jersey.

Proposed respondents manufacture and sell ladies' wool and fur trimmed coats and suits.

PAR. 2. Respondents, now and for some time last past, have manufactured for introduction into commerce, introduced into commerce, sold, transported, distributed, delivered for shipment, shipped and offered for sale in commerce, wool products, as the terms "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939.

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 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 ladies' woolen coats stamped, tagged, labeled, or otherwise identified as containing "100% Wool" whereas in truth and in fact, such coats contained substantially different amounts and types of fibers than as represented.

Also, among such misbranded wool products, but not limited thereto, were ladies' woolen coats containing interlining material stamped, tagged, labeled or otherwise identified as "100% Wool," whereas in truth and in fact, such interlining material contained substantially different amounts and types of fibers than as 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 said misbranded wool products, but not limited thereto, were certain ladies' coats 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) 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. 5. Certain of said wool products were misbranded in violation of the Wool Products Labeling Act of 1939 in that they were not stamped, tagged, labeled, or otherwise identified in accordance with the Rules and Regulations promulgated thereunder in that samples of wool products, namely ladies' coats, used to promote or effect the sales of such wool products in commerce were not labeled or marked to show the information required under Section 4(a) (2) of the Wool Products Labeling Act of 1939 and the Rules and Regulations promulgated thereunder, in violation of Rule 22 of the aforesaid Rules and Regulations.

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 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. 7. Respondents are now, and for some time last past have been engaged in the introduction into commerce, and in the manufacture for introduction into commerce, and in sale, advertising, and offering for sale in commerce, and in the transportation and distribution in commerce, of fur products; and have manufactured for sale, sold, advertised, offered for sale, transported and distributed fur products which have been made in whole or in part of furs which have been shipped and received in commerce, as the terms "commerce," "fur" and "fur product" are defined in the Fur Products Labeling Act.

PAR. 8. Certain of said fur products were misbranded in that they were not labeled as required under the provisions of Section 4(2) of the Fur Products Labeling Act and in the manner and form prescribed by the Rules and Regulations promulgated thereunder.

Among such misbranded fur products but not limited thereto, were fur products, namely ladies' fur trimmed coats, with labels

affixed thereto which failed to show the true animal name of the fur used in the fur products.

PAR. 9. Certain of said fur products were falsely and deceptively invoiced by the respondents in that they were not invoiced as required by Section 5(b)(1) of the Fur Products Labeling Act and the Rules and Regulations promulgated under such Act.

Among such falsely and deceptively invoiced fur products, but not limited thereto, were fur products covered by invoices which failed to show the country of origin of the imported furs used in the fur products.

PAR. 10. Respondents furnished false guaranties that certain of their fur products were not misbranded, falsely invoiced or falsely advertised when respondents in furnishing such guaranties had reason to believe that fur products so falsely guaranteed would be introduced, sold, transported or distributed in commerce, in violation of Section 10(b) of the Fur Products Labeling Act.

PAR. 11. The aforesaid acts and practices of respondents, as set forth in Paragraph Eight, Nine and Ten are in violation of the Fur Products Labeling Act and the Rules and Regulations promulgated thereunder and constitute unfair methods of competition and unfair and deceptive acts and practices in commerce under the Federal Trade Commission Act.

PAR. 12. Respondents have furnished their customers with false guaranties that certain of the textile fiber products were not misbranded or falsely invoiced by falsely representing in writing that respondents had a continuing guaranty under the Textile Fiber Products Identification Act on file with the Federal Trade Commission in violation of Rule 38(d) of the Rules and Regulations under said Act and Section 10(b) of said Act.

PAR. 13. The acts and practices of respondents as set forth in Paragraph Twelve, were, and are, in violation of the Textile Fiber Products Identification Act and the Rules and Regulations 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 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, the Wool Products Labeling Act of 1939, the Fur Products Labeling Act and the Textile Fiber Products Identification 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 Kingsley Coats, 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 512 Seventh Avenue, New York, New York.

Respondent Parkmoor, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 238 Lewis Street, Paterson, New Jersey.

Respondent Charles Goldberg is an officer of Kingsley Coats, Inc., and his address is the same as that of Kingsley Coats, Inc.

Respondent Frank De Vito is the factory manager of Kingsley Coats, Inc., and his address is 238 Lewis Street, Paterson, New Jersey.

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 Kingsley Coats, Inc., a corpora-

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tion, doing business as Kingsley-Parkmoor or under any other name, and its officers, and Charles Goldberg, individually and as an officer of said corporation, and Frank De Vito individually and as factory manager of the aforesaid corporation and Parkmoor, Inc., a corporation, doing business as Kingsley-Parkmoor and under any other name, 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, 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 wool products by:

A. Falsely or deceptively stamping, tagging, labeling, or otherwise identifying any such wool product as to the character or amount of constituent fibers included therein.

B. Failing to securely affix to, or place on, each such wool 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.

C. Failing to affix labels to samples, swatches, or specimens of wool products used to promote or effect the sale of wool products, showing in words and figures plainly legible all of the information required to be disclosed by each of the subsections of Section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Kingsley Coats, Inc., a corporation, doing business as Kingsley-Parkmoor or under any other name, and its officers, and Charles Goldberg, individually and as an officer of said corporation and Frank De Vito individually and as factory manager of said corporation, and Parkmoor, Inc., a corporation, doing business as Kingsley-Parkmoor and under any other name, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, or the manufacture for introduction, into commerce, or the sale, advertising, or offering for sale in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur products which are made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur" and "fur

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product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by failing to affix labels to fur products showing in words and in figures plainly legible all of the information required to be disclosed by each of the subsections of Section 4(2) of the Fur Products Labeling Act.

B. Falsely or deceptively invoicing any such fur product by failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of Section 5(b) (1) of the said Act.

It is further ordered, That respondents Kingsley Coats, Inc., a corporation, doing business as Kingsley-Parkmoor or under any other name, and its officers, and Charles Goldberg, individually and as an officer of said corporation, and Frank De Vito, individually and as factory manager of said corporation and Parkmoor, Inc., a corporation, doing business as Kingsley-Parkmoor and under any other name, 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 fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported or distributed in commerce.

It is further ordered, That respondents Kingsley Coats, Inc., a corporation, doing business as Kingsley-Parkmoor or under any other name, and its officers, and Charles Goldberg, individually and as an officer of said corporation, and Frank De Vito, individually and as factory manager of said corporation, and Parkmoor, Inc., a corporation, doing business as Kingsley-Parkmoor and under any other name, 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 textile fiber product is not misbranded or falsely invoiced under the provisions of the Textile Fiber Products Identification Act.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

It is further ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with

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the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.
