

IN THE MATTER OF
WASSNER SPORTSWEAR MFG., INC., ET AL.

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-1503. Complaint, Mar. 13, 1969—Decision, Mar. 13, 1969

Consent order requiring four affiliated New York City importers and manufacturers of wearing apparel to cease misbranding their wool products and falsely advertising their textile fiber products.

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 it by said Acts, the Federal Trade Commission, having reason to believe that Wassner Sportswear Mfg., Inc., Gotham Men's & Boys' Wear, Inc., Olympic Shirts, Inc., and Lustberg, Nast & Co., Inc., corporations, and Isidor Wassner, David Wassner and Joseph Wassner, individually and as officers of said corporations, hereinafter referred to as respondents, have violated the provisions of the 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. Respondents Wassner Sportswear Mfg., Inc., Gotham Men's & Boys' Wear, Inc., Olympic Shirts, Inc., and Lustberg, Nast & Co., Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York with their office and principal place of business located at 31 West 27th Street, New York, New York.

Respondents Isidor Wassner, David Wassner and Joseph Wassner are officers of the aforesaid corporations. They formulate, direct and control the acts, practices and policies of the said corporations. Their office and principal place of business are the same as that of the corporate respondents.

Respondents import, manufacture and distribute wool and textile fiber products.

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 stamped, tagged, labeled, or otherwise identified with respect to the character and amount of the constituent fibers contained therein.

Also among such misbranded wool products, but not limited thereto, were men's jackets containing interlining material stamped, tagged, labeled, or otherwise identified as "90% Acrylic, 10% Other Fibers" whereas, in truth and in fact, such interlining material contained woolen fibers together with substantially different fibers and amounts of fibers than represented.

Also among such wool products, but not limited thereto, were men's jackets containing interlining material stamped, tagged, labeled, or otherwise identified as "90% Reprocessed wool, 10% other fibers" 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 and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among said misbranded wool products, but not limited thereto, were certain men's jackets with labels on or affixed thereto which failed to disclose the percentage of the total fiber weight of the wool products, exclusive of ornamentation not exceeding 5 per centum of said total fiber weight of (1) wool; (2) reprocessed

wool; (3) re-used 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 in that they were not labeled in accordance with the Rules and Regulations promulgated thereunder in the following respect.

The generic names of manufactured fibers established in Rule 7 of the Regulations promulgated under the Textile Fiber Products Identification Act were not used in naming such fibers in required information, in violation of Rule 8(b) of the aforesaid Rules and Regulations.

Among such misbranded wool products but not limited thereto were certain men's jackets with labels on or affixed thereto which described a portion of the fiber content as Orlon without using the generic name of said fiber, "acrylic."

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 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. 7. Respondents now and for some time last past have been engaged in the introduction, the manufacture for introduction, delivery 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 have sold, offered for sale, and advertised, delivered, transported and caused to be transported, textile fiber products, which have been advertised or offered for sale in commerce; and have 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. 8. Certain of such textile fiber products were falsely and deceptively advertised in that respondents in making disclosures or implications as to the fiber content of such textile fiber products in written advertisements used to aid, promote, or assist, directly or indirectly in the sale or offering for sale of such

products failed to set forth the required information as to fiber content as specified by Section 4(c) of the Textile Fiber Products Identification Act and in the manner and form prescribed by the Rules and Regulations promulgated under said Act.

Among such textile fiber products but not limited thereto were men's jackets which were falsely and deceptively advertised by means of a "catalogue" distributed by respondents throughout the United States in that the true generic names of the fibers contained in such textile fiber products were not set out in said catalogue.

PAR. 9. By means of the aforesaid advertisements and others of similar import and meaning not specifically referred to herein, respondents falsely and deceptively advertised textile fiber products in violation of the Textile Fiber Products Identification Act in that the said textile fiber products were not advertised in accordance with the Rules and Regulations promulgated thereunder in the following respects:

A. Fiber trademarks were used in advertising textile fiber products without the full disclosure of the fiber content information required by the said Act and the Rules and Regulations thereunder in at least one instance in the said advertisement, in violation of Rule 41(a) of the aforesaid Rules and Regulations.

B. Fiber trademarks were used in advertising textile fiber products containing more than one fiber and such trademarks did not appear in the required fiber content information in immediate proximity and conjunction with the fibers in plainly legible type or lettering of equal size and conspicuousness, in violation of Rule 41(b) of the aforesaid Rules and Regulations.

PAR. 10. The acts and practices of the respondents as set forth in Paragraphs Eight and Nine 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 or practices, in commerce, under 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 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. Respondents Wassner Sportswear Mfg., Inc., Gotham Men's & Boys' Wear, Inc., Olympic Shirts, Inc., and Lustberg, Nast & Co., Inc., are corporations organized, existing and doing business under and by virtue of the laws of the State of New York, with their office and principal place of business located at 31 West 27th Street, New York, New York.

Respondents Isidor Wassner, David Wassner and Joseph Wassner are officers of the aforesaid corporations and their address is the same as that of the said corporations.

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 Wassner Sportswear Mfg., Inc., Gotham Men's & Boys' Wear, Inc., Olympic Shirts, Inc., and Lustberg, Nast & Co., Inc., corporations, and their officers, and Isidor Wassner, David Wassner and Joseph Wassner, individually and as officers of said corporations, 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:

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

2. Failing to securely affix to or place on each such wool product a stamp, tag, label, or other means of identification correctly 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 set forth the generic names of manufactured fibers established in Rule 7 of the Regulations promulgated under the Textile Fiber Products Identification Act, in naming such fibers in required informations on stamps, tags, labels, or other means of identification attached to wool products.

It is further ordered, That respondents Wassner Sportswear Mfg., Inc., Gotham Men's & Boys' Wear, Inc., Olympic Shirts, Inc., and Lustberg, Nast & Co., Inc., corporations, and their officers, and Isidor Wassner, David Wassner and Joseph Wassner, individually and as officers of said corporations, and respondents' 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 falsely and deceptively advertising textile fiber products by:

1. Making any representations, directly or by implication, as to fiber content of any textile fiber product in any written advertisement which is used to aid, promote or assist, directly or indirectly, in the sale or offering for sale of such textile fiber product, unless the same information required to be shown on the stamp, tag, label, or other means of identification under Section 4(b)(1) and (2) of the Textile Fiber Products Identification Act is contained in the said advertisement, except that the percentages of the fibers present in the textile fiber product need not be stated.

2. Using a fiber trademark in an advertisement without a full disclosure of the required content information in at least one instance in the said advertisement.

3. Using a fiber trademark in advertising textile fiber products containing more than one fiber without such fiber trademark appearing in the required fiber content information in immediate proximity and conjunction with the generic name of the fiber in plainly legible type or lettering of equal size and conspicuousness.

It is further ordered, That the respondent corporations shall forthwith distribute a copy of the Order to each of their operating divisions.

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.