

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

Docket C-1540. Complaint, June 4, 1969—Decision, June 4, 1969

Consent order requiring four affiliated New York City manufacturers of
ladies' coats to cease misbranding the fiber content of its wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission
Act and the Wool Products Labeling Act of 1939, and by virtue
of the authority vested in it by said Acts, the Federal Trade

Commission, having reason to believe that Waverly Fashions, Inc., a corporation, Petite Town, Inc., a corporation, Lady Janet, Inc., a corporation, Miss Janet, Inc., a corporation, and Samuel Sosne, Jacob Sosne and Philip Sosne, individually and as officers of Waverly Fashions, Inc., and Petite Town, Inc., hereinafter referred to as respondents, have violated the provisions of said Acts and the Rules and Regulations promulgated under the Wool Products Labeling Act of 1939, 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 Waverly Fashions, Inc., Petite Town, Inc., Lady Janet, Inc., and Miss Janet, 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 247 West 37th Street, New York, New York.

Respondents Samuel Sosne, Jacob Sosne and Philip Sosne are officers of Waverly Fashions, Inc., and Petite Town, Inc. They formulate, direct and control the policies, acts and practices of said corporations and their address is the same as that of the corporate respondents.

Respondents are engaged in the manufacturing of ladies' wool coats. They ship and distribute such products to various customers throughout the United States.

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, as "commerce" is defined in said Wool Products Labeling Act of 1939, wool products as "wool product" is defined therein.

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 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 wool products, namely ladies' coats, containing interlinings, stamped, tagged, labeled, or otherwise identified as "85% Reprocessed Wool, 15% Other Fibers," whereas in truth and in fact,

such wool products contained substantially different fibers and amounts of fibers than 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 such misbranded wool products, but not limited thereto, were wool products, namely ladies' coats, containing interlinings with labels on or affixed thereto, which failed to disclose the percentage of the total fiber weight of the said wool products, 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.

Also among such misbranded wool products, but not limited thereto, were wool products, namely ladies' coats, containing interlinings with no labels attached.

PAR. 5. 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 the following respects:

1. Samples, swatches or specimens of wool products used to promote or effect 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.

2. The fiber content of the interlinings contained in garments was not set forth separately and distinctly as a part of the required information on the stamps, tags, labels or other marks of identification of such garments, in violation of Rule 24(b) 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 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.

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 Wool Products Labeling Act of 1939; 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 Waverly Fashions, Inc., Petite Town, Inc., Lady Janet, Inc., and Miss Janet, 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 247 West 37th Street, New York, New York.

Respondents Samuel Sosne, Jacob Sosne and Philip Sosne are officers of Waverly Fashions, Inc., and Petite Town, Inc., and their address is the same as that of 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 Waverly Fashions, Inc., a corporation, and its officers, Petite Town, Inc., a corporation, and

its officers, Lady Janet, Inc., a corporation, and its officers, Miss Janet, Inc., a corporation, and its officers, and Samuel Sosne, Jacob Sosne and Philip Sosne, individually and as officers of Waverly Fashions, Inc., and Petite Town, Inc., 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 such products by:

1. Falsely and 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 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.

4. Failing to set forth separately the fiber content of interlining as part of the required information on stamps, tags, labels or other marks of identification on such garments.

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

It is further ordered, That 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.

Complaint

IN THE MATTER OF

GREATER KANSAS CITY GAS FURNACE AND AIR
CONDITIONING COMPANY, INC., ET AL.

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

Docket C-1541. Complaint, June 6, 1969—Decision, June 6, 1969

Consent order requiring a Kansas City, Missouri, distributor of furnaces and other heating equipment, to cease making false representations to prospective customers that the condition of their furnace is defective, unsafe, or hazardous.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, and by virtue of the authority vested in it by said Act, the Federal Trade Commission, having reason to believe that the Greater Kansas City Gas Furnace and Air Conditioning Company, Inc., a corporation, and Dennis G. Svejda, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of the said 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 Greater Kansas City Gas Furnace and Air Conditioning Company, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Missouri, with its principal office and place of business located at 3315 Troost, Kansas City, Missouri.

Respondent Dennis G. Svejda is an officer of the corporate respondent. He formulates, directs and controls the acts and practices of the corporate respondent, including the acts and practices hereinafter set forth. His address is the same as that of the corporate respondent.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the sale and distribution of furnaces, heating equipment and parts therefor to the purchasing public, and in the repair and servicing of heating equipment.

PAR. 3. In the course and conduct of their business, respondents now cause, and for some time last past have caused, their products, when sold, to be shipped from their principal place of