

Complaint  
IN THE MATTER OF  
CENTURY FABRICS, INC., ET AL

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

*Docket C-1592. Complaint, Oct. 10, 1969—Decision, Oct. 10, 1969*

Consent order requiring a Chicago, Ill., converter and jobber of drapery and upholstery fabrics, and an importer of Italian tapestry fabrics to cease falsely advertising and misbranding its textile fiber products, and using the word "Looms" or any other word implying that it mills or manufactures the textiles it sells.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission 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 Century Fabrics, Inc., a corporation, doing business under its own name and as Grant Looms, hereinafter referred to as respondent, has violated the provisions of the said Acts and the Rules and Regulations promulgated under 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 Century Fabrics, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois with its office and principal place of business located at 345 West Chicago Avenue, Chicago, Illinois. Century Fabrics, Inc., does business under its own name and as Grant Looms.

Respondent Century Fabrics, Inc., is a converter and jobber of cut-orders of drapery and upholstery fabrics and also imports tapestry fabrics from Italy.

PAR. 2. Respondent is now and for some time last past has been, engaged in the introduction, delivery for introduction, sale, advertising, and offering for sale, 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 within the intent and meaning of Section 4(a) of the Textile Fiber Products Identification Act and the Rules and Regulations promulgated thereunder, in that they were falsely and deceptively stamped, tagged, labeled, invoiced, advertised or otherwise identified as to the name or amount of the constituent fibers contained therein.

Among such misbranded textile fiber products but not limited thereto, were textile fiber products, namely upholstery fabrics with labels which:

A. Set forth the generic name of a particular fiber in such a manner as to over emphasize the nylon content of the product, to detract from the required fiber content disclosure and to represent or imply that the products were composed entirely of nylon when in truth and in fact the products contained fibers other than nylon.

B. Set forth the fiber content of textile fiber products composed in part of nylon, in such a manner as to imply that the product was composed entirely of nylon when in truth and in fact such products contained fibers other than nylon.

Also among such misbranded textile fiber products but not limited thereto, were textile fiber products which were falsely and deceptively advertised by means of price lists which used terms such as "Nylon Matelasse" and "Nylon Puff Matelasse," among others but not limited thereto, in such a manner as to represent or imply that the products were composed entirely of nylon when in truth and in fact such products contained fibers other than nylon.

PAR. 4. Certain of such textile fiber products were further 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 under said Act.

Among such misbranded textile fiber products but not limited thereto were drapery and upholstery fabrics with labels which

failed to disclose: (1) the true generic names of the constituent fibers present in the product in the order of predominance by weight thereof; (2) the percentages of each fiber present, by weight; (3) any fiber or group of fibers present in the amount of less than 5 per centum as "other fiber" or "other fibers;" and (4) the name or other identification issued and registered by the Commission of the manufacturer of the product or one or more persons subject to Section 3 of said Act with respect to such products.

Also among such misbranded textile fiber products were certain textile fiber products, namely drapery and upholstery fabrics sold by means of samples, swatches or specimens and unaccompanied by an invoice or other paper showing the information required to appear on the label, which textile fiber products were not stamped, tagged, labeled or otherwise identified to disclose the information required by Section 4(b) of the Textile Fiber Products Identification Act.

PAR. 5. 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:

A. Non-required information was placed on labels in such a manner as to minimize, detract from and conflict with the required information and in such a way as to be false or deceptive as to fiber content, in violation of Rule 16(c) of the aforesaid Rules and Regulations.

B. Fiber trademarks were placed on labels without the generic names of fibers appearing on such labels in violation of Rule 17(a) of the aforesaid Rules and Regulations.

C. Generic names of fibers were used in non-required information on labels in such a manner as to be false, deceptive or misleading as to fiber content and to indicate, directly or indirectly, that such textile fiber products were composed wholly or in part of a particular fiber, when such was not the case, in violation of Rule 17(d) of the aforesaid Rules and Regulations.

PAR. 6. Certain of said textile fiber products were falsely and deceptively advertised in that respondent 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 said 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 drapery, upholstery and slipcover fabrics which were falsely and deceptively advertised by means of price lists, distributed by respondent throughout the United States in that the true generic name of each fiber present in the products was not set forth.

PAR. 7. By means of the aforesaid advertisements and others of similar import and meaning not specifically referred to herein, respondent falsely and deceptively advertised textile fiber products in violation of the Textile Fiber Products Identification Act in that said textile fiber products were not advertised in accordance with the Rules and Regulations promulgated thereunder in the following respects:

A. A fiber trademark was used in advertising textile fiber products without a full disclosure of the fiber content information required by the said advertisement in violation of Rule 41(a) of the aforesaid Rules and Regulations.

B. A fiber trademark was used in advertising textile fiber products containing more than one fiber and such fiber trademark did not appear 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, in violation of Rule 41(b) of the aforesaid Rules and Regulations.

C. A fiber trademark was used in advertising textile fiber products containing only one fiber and such fiber trademark did not appear at least once in the said advertisement, in immediate proximity and conjunction with the generic name of the fiber in plainly legible and conspicuous type or lettering, in violation of Rule 41(c) of the aforesaid Regulation.

D. The generic name of a fiber was used in advertising textile fiber products, namely upholstery fabrics, in such a manner as to be false, deceptive or misleading as to fiber content and to indicate directly or indirectly that such textile fiber product was composed wholly or in part of such fiber when such was not the case, in violation of Rule 41(d) of the aforesaid Rules and Regulations.

E. In advertising textile fiber products in such a manner as to require disclosure of the information required by the Act and Regulations, all parts of the required information were not stated

in immediate conjunction with each other in legible and conspicuous type or lettering of equal size and prominence, in violation of Rule 42 (a) of the aforesaid Rules and Regulations.

PAR. 8. 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 or practices in commerce under the Federal Trade Commission Act.

PAR. 9. Respondents are now and for some time last past have been engaged in the advertising, sale, offering for sale, and distribution of textile fiber products, including drapery and upholstery fabrics, in commerce, as "commerce" is defined in the Federal Trade Commission Act.

In the course and conduct of its business, respondent Century Fabrics, Inc., now and for some time last past has caused its said products including drapery and upholstery fabrics, when sold, to be shipped from its place of business in the State of Illinois to purchasers thereof located in various other States of the United States, and maintain, and at all times mentioned herein have maintained a substantial course of trade in said products in commerce as "commerce" is defined in the Federal Trade Commission Act.

PAR. 10. In the conduct of its business, at all times mentioned herein, respondent Century Fabrics, Inc., has been in substantial competition, in commerce with corporations, firms and individuals in the sale of products of the same general kind as that sold by the respondent.

PAR. 11. In the course and conduct of its business, the aforesaid respondent, Century Fabrics, Inc., on catalogues and price lists, used the name "Grant Looms," thus stating or implying that respondent operates a mill or factory in which such drapery and upholstery fabrics or other products sold by it are manufactured.

PAR. 12. In truth and in fact, respondent Century Fabrics, Inc., does not own, operate, or control any mill or factory where the aforesaid fabrics or other products sold by it are manufactured, but is engaged solely in the business of conversion and distribution of said fabrics or other products. Thus the aforesaid representation is false, misleading and deceptive.

PAR. 13. There is a preference on the part of many members of the public to buy products directly from mills or factories in the

belief that by so doing certain advantages accrue to them, including lower prices.

PAR. 14. The use by respondent Century Fabrics, Inc., of the aforesaid false, misleading and deceptive statements, representations and practices has had and now has, the capacity and tendency to mislead purchasers into the erroneous and mistaken belief that said statements and representations are true and into the purchase of substantial quantities of said respondent's products by reason of said erroneous and mistaken belief.

PAR. 15. The aforesaid acts and practices of respondent Century Fabrics, Inc., as herein alleged in Paragraphs Eleven through Fourteen were and are, all to the prejudice and injury of the public and of respondent's competitors, and constituted, and now constitute, unfair methods of competition and unfair and deceptive acts and practices in commerce in violation of Section 5(a) (1) of the Federal Trade Commission Act.

#### DECISION AND ORDER

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent 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 respondent with violation of the Federal Trade Commission Act and the Textile Fiber Products Identification Act; 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 aforesaid draft of complaint, 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 thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, 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 Century Fabrics, Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of Illinois. Its office and principal place of business is located at 345 West Chicago Avenue, Chicago, Illinois. This corporation does business under its own name and as Grant Looms.

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 Century Fabrics, Inc., a corporation, doing business under its own name and as Grant Looms, or any other name, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery 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 textile fiber products by:

1. Falsely or deceptively stamping, tagging, labeling, invoicing, advertising or otherwise identifying such products as to the name or amount of the constituent fibers contained therein.

2. Failing to affix labels to such textile fiber products showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Sec-

tion 4(b) of the Textile Fiber Products Identification Act.

3. Placing non-required information on labels in such a manner as to minimize, detract from or conflict with the required information or to be false or deceptive as to fiber content.

4. Using a fiber trademark on labels affixed to textile fiber products without the generic name of the fiber appearing on the said labels.

5. Using the generic names of fibers in non-required information on any label in such a manner as to be false, deceptive or misleading as to fiber content or to indicate directly or indirectly that such textile fiber products are composed wholly or in part of a particular fiber when such is not the case.

B. Falsely and deceptively advertising textile fiber products by:

1. Making any representations, by disclosure or by implication, as to the 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 products 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 advertisements without a full disclosure of 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.

4. Using a fiber trademark in advertising textile fiber products containing only one fiber without such fiber trademark appearing at least once in said advertisement in immediate proximity and conjunction with the ge-

neric name of the fiber, in plainly legible and conspicuous type.

5. Using the generic name of a fiber in advertising textile fiber products in such a manner as to be false, deceptive or misleading as to fiber content or to indicate directly or indirectly that such textile fiber products are composed wholly or in part of such fiber when such is not the case.

6. Failing to set forth all parts of the required information in advertisements of textile fiber products in immediate conjunction with each other in legible and conspicuous type or lettering of equal size and prominence.

*It is further ordered*, That respondent Century Fabrics, Inc., a corporation, doing business under its own name and as Grant Looms or any other name, and its officers, representatives, agents and employees directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of fabrics or other products in commerce as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Directly or indirectly using the word "Looms" or any other word or term of similar import or meaning in or as a part of respondent's corporate or trade name or representing in any other manner that respondent performs the functions of a mill or otherwise manufactures or processes the fabrics or other products sold by it unless and until respondent owns, operates, or directly and absolutely controls the mill, factory or manufacturing plant wherein said fabrics or other products are manufactured.

2. Misrepresenting in any manner that respondent has mills, factories or manufacturing plants where its products are manufactured.

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

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

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Complaint

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IN THE MATTER OF

KASBAR QUILTING CORP., ET AL.

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

*Docket C-1593. Complaint, Oct. 10, 1969—Decision, Oct. 10, 1969*

Consent order requiring a Brooklyn, N.Y., manufacturer of quilting interlining fabrics to cease misbranding and falsely invoicing 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 Kasbar Quilting Corp., a corporation, and Joseph A. Kasbar and Adel Kasbar, individually and as officers of said corporation, 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. Respondent Kasbar Quilting Corp. 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 241-59th Street, Brooklyn, New York.

Individual respondents Joseph A. Kasbar and Adel Kasbar are officers of the corporate respondent. They formulate, direct and control the policies, acts and practices of said corporation including the acts and practices hereinafter referred to. Their address is the same as that of the corporate respondent.

Respondents are manufacturers of quilted interlining fabric.

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

PAR. 3. Certain of said wool products were misbranded by respondents within the intent and meaning of Section 4(a) (1) of