

Complaint

78 F.T.C.

IN THE MATTER OF

MR. TONY, INC., ET AL.

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

Docket C-1905. Complaint, Apr. 22, 1971—Decision, Apr. 22, 1971

Consent order requiring a New York City manufacturer and seller of men's suits to cease misbranding its wool products.

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act, 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 Mr. Tony, Inc., a corporation, formerly trading under its own name and as Mr. Tony of Park Avenue, Inc., Mr. Tony Contracting, Inc., Mr. Tony of Madison Avenue, Inc., Mr. Tony of Third Avenue, Inc., Mr. Tony of Second Avenue, Inc., Mr. Tony of Fifth Avenue, Inc., and Mr. Tony of First Avenue, Inc., and Irving Lieberman, David Leboni and Richard W. Baker, individually and as officers of the said corporation, and Ann Lieberman, individually and as a former officer of the aforesaid corporations, 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 Mr. Tony 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 130 Fifth Avenue, New York, New York.

Corporate respondent, Mr. Tony, Inc., is a successor corporation to several corporations, namely Mr. Tony of Park Avenue, Inc., Mr. Tony Contracting, Inc., Mr. Tony of Madison Avenue, Inc., Mr. Tony of Third Avenue, Inc., Mr. Tony of Second Avenue, Inc., Mr. Tony of Fifth Avenue, Inc., and Mr. Tony of First Avenue, Inc.

Individual respondents Irving Lieberman, Richard W. Baker and David Leboni are officers of the corporate respondent. Richard W. Baker, David Leboni and Ann Lieberman were officers of the predecessor corporations and Irving Lieberman was the general manager

of the predecessor corporations. The individual respondents formulate, direct and control the acts, practices and policies of the said corporation and their address is the same as that of the said corporate respondent.

Respondents are engaged in the manufacture and sale of men's 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, 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 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 men's suits, 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 percent of the 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 percent or more; and (5) the aggregate of all other fibers.

PAR. 4. 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 or practices in commerce within the 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 Consumer Protection 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 Act, and that complaint should issue stating its charges in that respect, and having thereupon accepted the executed 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 Mr. Tony, 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 130 Fifth Avenue, New York, New York.

Corporate respondent, Mr. Tony, Inc., is a successor corporation to several corporations, namely Mr. Tony of Park Avenue, Inc., Mr. Tony Contracting, Inc., Mr. Tony of Madison Avenue, Inc., Mr. Tony of Third Avenue, Inc., Mr. Tony of Second Avenue, Inc., Mr. Tony of Fifth Avenue, Inc., and Mr. Tony of First Avenue, Inc.

Individual respondents Irving Lieberman, Richard W. Baker and David Leboni are officers of the corporate respondent. Richard W. Baker, David Leboni and Ann Lieberman were officers of the predecessor corporations and Irving Lieberman was the general manager of the predecessor corporations. The individual respondents formulate, direct and control the acts, practices and policies of the said corporation and their address is the same as that of the said corporate respondent.

Respondents are engaged in the manufacture and sale of men's suits.

2. The Federal Trade Commission has jurisdiction of the subject matter of the proceeding and of the respondents and the proceeding is in the public interest.

ORDER

It is ordered, That respondents Mr. Tony, Inc., a corporation, and its officers, formerly trading as Mr. Tony of Park Avenue, Inc., Mr.

Tony Contracting, Inc., Mr. Tony of Madison Avenue, Inc., Mr. Tony of Third Avenue, Inc., Mr. Tony of Second Avenue, Inc., Mr. Tony of Fifth Avenue, Inc., and Mr. Tony of First Avenue, Inc., and Irving Lieberman, Richard W. Baker and David Leboni, individually and as officers of the said corporation, and Ann Lieberman, individually and as a former officer of the aforesaid corporations, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, 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 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.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

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

IN THE MATTER OF

THE COSTUMER TRADING AS TRAVILA, ET AL.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF THE
FEDERAL TRADE COMMISSION AND THE FLAMMABLE FABRICS ACTS

Docket C-1906. Complaint, Apr. 23, 1971—Decision, Apr. 23, 1971

Consent order requiring a Los Angeles, Calif., manufacturer and distributor of women's apparel, including ladies dresses, to cease violating the Flammable Fabrics Act by importing or selling any fabric which fails to conform to the standards of said Act.