

Complaint

IN THE MATTER OF
LADZIN NOVELTY CO., INC., ET AL.

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

Docket C-2412. Complaint, June 4, 1973—Decision, June 4, 1973.

Consent order prohibiting a New York City manufacturer and distributor of feather fabrics from marketing products which fail to conform to an applicable standard of flammability or regulation established, amended, or continued in effect pursuant to the provisions of the Flammable Fabrics Act, as amended.

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 Ladzin Novelty Co., Inc., a corporation, and Seymour Ladzin, individually and as an officer of said corporation, hereinafter referred to as respondents, have violated the provisions of 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 Ladzin Novelty Co., 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 30 West 36th Street, New York, New York.

Respondent Seymour Ladzin is an officer of said corporation. He formulates, directs and controls the policies, acts and practices of said corporation, and his office and principal place of business is the same as that of said corporation.

PAR. 2. Respondents are now and for some time last past have been engaged in the manufacture and distribution of feather fabrics. The aforesaid products are shipped or delivered from respondents' place of business in the State of New York to respondents'

customers located in various other States of the United States. Respondents maintain, and have maintained a substantial course of trade in said products in commerce, as "commerce" is defined in the Federal Trade Commission Act.

PAR. 3. Respondents in the course and conduct of their business as aforesaid have imported and distributed in commerce feather fabrics which, because of their composition and the nature of their construction, are easily ignited, burn with great rapidity and intensity and are not readily extinguishable. Said feather fabrics are classified as "Rapid and intense burning, Class 3" when tested in the manner prescribed by Commercial Standard 191-53 (Flammability of Clothing Textiles) promulgated by the Secretary of Commerce effective January 30, 1954, except that the position of the stop cord described in Paragraph 4.2.7 of the standard is modified by raising said stop cord 1.5 centimeters above the top of the thread guides used in testing under Commercial Standard 191-53. Such feather fabrics are, therefore, dangerously flammable and unsafe for ordinary use. The sale and distribution of such product, which exposes purchasers to a substantial risk of serious bodily injury, constitutes an unfair trade practice.

PAR. 4. The aforesaid acts and practices of respondents as herein alleged were and are to the prejudice and injury of the public and constitute 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 Division 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 Flammable Fabrics Act, as amended; 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 Section 2.34(b) of its rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent Ladzin Novelty Co., Inc., is a corporation organized, existing and doing business under and by virtue of the laws of the State of New York.

Respondent Seymour Ladzin is an officer of said corporation. He formulates, directs and controls the policies, acts and practices of said corporation.

Respondents are engaged in the manufacture and sale of feather trimmed wearing apparel and feather fabrics, with the office and principal place of business of respondents located at 30 West 36th Street, New York, New York.

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 respondent Ladzin Novelty Co., Inc., a corporation, its successors and assigns and its officers, and Seymour Ladzin, individually and as an officer of said corporation, and respondents' agents, representatives and employees directly or through any corporation, subsidiary, division or other device, do forthwith cease and desist from the importation, manufacture for sale, sale, offering for sale, shipment, distribution, transportation, or causing to be transported of feather fabrics or any other similar feather products of a highly flammable nature, in commerce, as "commerce" is defined in the Federal Trade Commission Act, unless such feather fabrics or other similar feather products conform to the Commercial Standard promulgated by the Secretary of Commerce effective January 30, 1954, and identified as "Flammability of Clothing Textiles, Commercial Standard 191-53" when tested under the conditions and in the manner

prescribed by such standard except that the position of the stop cord described in Paragraph 4.2.7 of the standard shall be modified by raising said stop cord 1.5 centimeters above the top of the thread guides used in tests under Commercial Standard 191-53. In the event, however, that respondents import, manufacture for sale, sell, offer for sale, ship, distribute, transport or cause to be transported any product subject to an applicable standard of flammability established, amended, or continued in effect pursuant to the provisions of the Flammable Fabrics Act, as amended, said products must conform to the said applicable standard rather than Commercial Standard 191-53 as modified.

It is further ordered, That respondents notify all of their customers who have purchased or to whom have been delivered the products which gave rise to this complaint, of the flammable nature of said products and effect the recall of said products from such customers.

It is further ordered, That the respondents herein either process the products which gave rise to the complaint so as to bring them into conformance with the first paragraph of this order, or destroy said products.

It is further ordered, That respondents herein shall, within ten (10) days after service upon them of this order, file with the Commission a special report in writing setting forth the respondents' intentions as to compliance with this order. This special report shall also advise the Commission fully and specifically concerning (1) the identity of the products which gave rise to the complaint, (2) the identity of the purchasers of said products, (3) the amount of said products on hand and in the channels of commerce, (4) any action taken and any further actions proposed to be taken to notify customers of the flammability of said products and effect the recall of said products from customers, and of the results thereof, (5) any disposition of said products since April, 1970, and (6) any action taken or proposed to be taken to bring said products into conformance with the first paragraph of this order, or to destroy said products, and the results of such action. Respondents will submit with their report samples of not less than six feet in length of each color and style of their current inventory of feather fabrics.

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

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of subsidiaries or any other change in the corporation which may effect compliance obligations arising out of the order.

It is further ordered, That the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business or employment in which he is engaged as well as a description of his duties and responsibilities.

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.
