

Complaint

IN THE MATTER OF

ZIM TEXTILE CORPORATION**CONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATIONS OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT**

Docket C-3960; File No. 0023082
Complaint, June 29, 2000--Decision, June 29, 2000

This consent order prohibits Respondent Zim Textile Corporation from future violations of the Textile Fiber Products Identification Act and Commission rules and regulations, found at 16 C.F.R. Part 303, implementing the requirements of the statute.

Participants

For the Commission: *Carol Jennings, Stephen Ecklund, Elaine D. Kolish, and BE.*

For the Respondents: *Jerry P. Wiskin, Simons & Wiskin.*

COMPLAINT

The Federal Trade Commission, having reason to believe that Zim Textile Corporation (respondent) has violated the provisions of the Federal Trade Commission Act, 15 U.S.C. § 41 *et seq.* (FTC Act) and the Textile Fiber Products Identification Act, 15 U.S.C. § 70 *et seq.* (Textile Act), and it appearing to the Commission that this proceeding is in the public interest, alleges:

1. Respondent is a New York corporation with its principal office or place of business at 300 Campus Drive, Suite E, Morganville, New Jersey 07751.
2. Respondent is a manufacturer and distributor of household textile products, including sheets and pillowcases. Respondent has manufactured, offered for sale, sold, and distributed textile products subject to the requirements of the Textile Act.

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3. The acts and practices of respondent alleged in this complaint have been in or affecting commerce, as "commerce" is defined in Section 4 of the Federal Trade Commission Act.

4. Respondent has offered for sale and sold household textile products, subject to the requirements of the Textile Act, without disclosing on a tag or label affixed to the product the fiber content, the manufacturer or dealer identity, and the country of origin, thus violating 15 U.S.C. § 70b(b), and implementing regulations in 16 C.F.R. § 303.2.

5. The acts and practices of respondent as alleged in this complaint constitute unfair or deceptive acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act, 15 U.S.C. § 45(a).

THEREFORE, the Federal Trade Commission this twenty-ninth day of June, 2000, has issued this complaint against respondent.

By the Commission.

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 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 respondent with violations of the Federal Trade

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Commission Act and the Textile Fiber Products Identification Act.

The respondent and counsel for the Commission having thereafter executed an agreement containing a consent order, and admission by the respondent of all the jurisdictional facts set forth in the draft 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, or that the facts as alleged in such complaint, other than jurisdictional facts, are true, 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 violated the said Acts, and that a 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 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings, and enters the following order:

1. Respondent is a New York corporation with its principal office or place of business at 300 Campus Drive, Suite E, Morganville, New Jersey 07751.
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

I.

IT IS ORDERED that respondent Zim Textile Corporation, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any corporation, subsidiary,

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division, or other device, shall not violate any provision of the Textile Fiber Products Identification Act, 15 U.S.C. § 70 *et seq.*, and any of the Rules promulgated pursuant to the Act, 16 C.F.R. Part 303, or as they may hereafter be amended.

II.

IT IS FURTHER ORDERED that respondent Zim Textile Corporation, and its successors and assigns, for three (3) years after the date of issuance of this Order, shall maintain, and upon request make available to the Federal Trade Commission, business records demonstrating compliance with the terms and provisions of this Order.

III.

IT IS FURTHER ORDERED that respondent Zim Textile Corporation, and its successors and assigns, shall deliver a copy of this Order to all current and future principals, officers, and directors, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this Order, and shall secure from each such person a signed and dated statement acknowledging receipt of the Order. Respondent shall deliver this Order to current personnel within thirty (30) days after the date of service of this Order, and to future personnel within thirty (30) days after the person assumes such position or responsibilities.

IV.

IT IS FURTHER ORDERED that respondent Zim Textile Corporation, and its successors and assigns, shall notify the Commission at least thirty (30) days prior to any change in the corporation that may affect compliance obligations arising under this Order, including but not limited to a dissolution, assignment,

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sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. *Provided, however,* that, with respect to any proposed change in the corporation about which respondent learns less than thirty (30) days prior to the date such action is to take place, respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

V.

IT IS FURTHER ORDERED that respondent Zim Textile Corporation, and its successors and assigns, shall, within sixty (60) days after the date of service of this Order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this Order.

VI.

This Order will terminate on June 29, 2020, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the Order, whichever comes later; *provided, however,* that the filing of such a complaint will not affect the duration of:

- A. Any Part in this Order that terminates in less than twenty (20) years;
- B. This Order's application to any respondent that is not named as a defendant in such complaint; and

Analysis to Aid Public Comment

- C. This Order if such complaint is filed after the Order has terminated pursuant to this Part.

Provided, further, that if such complaint is dismissed or a federal court rules that the respondent did not violate any provision of the Order, and the dismissal or ruling is either not appealed or upheld on appeal, then the Order will terminate according to this Part as though the complaint had never been filed, except that the Order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

By the Commission.

Analysis of Proposed Consent Order to Aid Public Comment

The Federal Trade Commission has accepted, subject to final approval, an agreement to a proposed consent order from respondent Zim Textile Corporation.

The proposed consent order has been placed on the public record for thirty (30) days for reception of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission will again review the agreement and the comments received and will decide whether it should withdraw from the agreement and take other appropriate action or make final the agreement's proposed order.

Analysis to Aid Public Comment

This matter concerns practices related to the manufacture, sale, and distribution of household textile products. The Commission's complaint charges that respondent violated the Federal Trade Commission Act, 15 U.S.C. § 41 *et seq.*, and the Textile Fiber Products Identification Act, 15 U.S.C. § 70 *et seq.*, by offering for sale and selling household textile products without disclosing on a tag or label affixed to each such product the fiber content, the manufacturer or dealer identity, and the country of origin.

Part I of the proposed consent order prohibits future violations of the Textile Fiber Products Identification Act and Commission rules and regulations, found at 16 C.F.R. Part 303, implementing the requirements of the statute.

Part II of the proposed order requires the respondent, for three years after the date of issuance of the order, to maintain records demonstrating compliance with the order.

Part III of the proposed order requires the respondent to distribute copies of the order to certain company officials and employees. Part IV of the proposed order requires the respondent to notify the Commission of any change in the corporation that may affect compliance obligations under the order. Part V of the proposed order requires the respondent to file one or more compliance reports. Part VI of the proposed order is a provision whereby the order, absent certain circumstances, terminates twenty years from the date of issuance.

The purpose of this analysis is to facilitate public comment on the proposed consent order. It is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

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IN THE MATTER OF

SERVICE CORPORATION INTERNATIONALCONSENT ORDER, ETC., IN REGARD TO ALLEGED VIOLATIONS OF
SEC. 5 OF THE FEDERAL TRADE COMMISSION ACT AND
SECTION 7 OF THE CLAYTON ACT

Docket C-3959; File No. 9810108
Complaint, June 29, 2000--Decision, June 29, 2000

This consent order addresses the anticompetitive effects of the 1994 acquisition by Respondent Service Corporation International, the nation's largest chain of funeral homes, of LaGrone Funeral Home giving them a monopoly on funeral services in Roswell, New Mexico. Prompted by the Commission's investigation, Respondent sold Ballard Funeral Home, in Roswell, to Sentry Group Services, Inc. The order requires that, if Respondent acquires the Ballard Funeral Home pursuant to a default on Sentry's loan with Provident, a subsidiary of Respondent, Respondent must divest Ballard to a Commission-approved buyer within 90 days. Provident is also prohibited, by the order, from sharing information regarding Sentry with Respondent.

Participants

For the Commission: *Harold E. Kirtz, Randi M. Boorstein, and Gregory S. Vistnes.*

For the Respondents: *James M. Shelger, Service Corporation International, and David Clanton and David Laing, Baker & McKenzie.*

COMPLAINT

Pursuant to the provisions of the Federal Trade Commission Act ("FTC Act") and the Clayton Act, and by virtue of the authority vested in it by said Acts, the Federal Trade Commission ("Commission"), having reason to believe that Service Corporation International ("SCI") has acquired LaGrone Funeral