

Complaint

IN THE MATTER OF

GLAMOUR SPORTSWEAR CORP. 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-1351. Complaint, June 27, 1968—Decision, June 27, 1968

Consent order requiring two New York City manufacturers of ladies' sportswear and blouses to cease misbranding its textile fiber products and furnishing false guarantees.

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 Glamour Sportswear Corp., a corporation, and Pantops by Glamour, Inc., a corporation, and Mark Lederman and Eugene Lederman, individually and as officers of said corporations, hereinafter referred to as respondents, have violated the provisions of 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 Glamour Sportswear 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 132 West 36th Street, New York, New York.

Respondent Pantops by Glamour, 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 132 West 36th Street, New York, New York.

Individual respondents Mark Lederman and Eugene Lederman are officers of said corporate respondents. They formulate, direct and control the acts, practices and policies of said corporate respondents, including the acts and practices hereinafter referred to. The office and principal place of business of these individual respondents is 132 West 36th Street, New York, New York.

Respondents are engaged in the manufacture and sale of ladies' sportswear and ladies' blouses.

PAR. 2. Respondents are now, and for some time last past have been, engaged in the introduction, manufacture for introduction, sale, advertising, and offering for sale, in commerce, and in the transportation or causing to be transported in commerce, and in the importation into the United States, of textile fiber products: and have 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 have 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 the respondents 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 (ladies' pants) with labels which set forth the fiber content of a bonded fabric as "90% Acetate, 10% Nylon," thereby representing the entire fabric to be as described, whereas, in truth and in fact, the said fibers contained substantially different fibers and amounts of fibers than represented.

PAR. 4. Certain of such textile fiber products were further misbranded by respondents in that they were not stamped, tagged, labeled, or otherwise identified to show each element of information required to be disclosed by 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 textile fiber products with labels which failed:

1. To disclose the true generic names of the fibers present; and
2. To disclose the true percentage of such fibers; and
3. To disclose 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 the said Act, with respect to such product.

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:

1. Generic names and fiber trademarks were used on labels without a full and complete fiber content disclosure appearing on such labels the first time the generic name or fiber trademark appeared on the said labels, in violation of Rule 17(b) of the aforesaid Rules and Regulations.

2. The required information as to fiber content was not set forth in such a manner as to separately show the fiber content of each section of textile fiber products containing two or more sections, in violation of Rule 25(b) of the aforesaid Rules and Regulations.

PAR. 6. Respondents have furnished false guaranties that their textile fiber products were not misbranded by falsely representing on invoices that respondents had a continuing guaranty under the Textile Fiber Products Identification Act on file with the Federal Trade Commission, when such was not the fact, in violation of Section 10(b) of the said Act and Rule 38(d) of the Rules and Regulations promulgated under such Act.

PAR. 7. The acts and practices of respondents, 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.

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 Textile Fiber Products Identification Act; 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 agree-

ment 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. Respondent Glamour Sportswear 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 132 West 36th Street, New York, New York.

Respondent Pantops by Glamour, 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 132 West 36th Street, New York, New York.

Respondents Mark Lederman and Eugene Lederman are officers of said corporations 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 Glamour Sportswear Corp., a corporation, and its officers, Pantops by Glamour, Inc., a corporation, and its officers, and Mark Lederman and Eugene Lederman, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale 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:

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 a stamp, tag, label or other means of identification to each such product showing in a clear, legible and conspicuous manner each element of information required to be disclosed by Section 4(b) of the Textile Fiber Products Identification Act.

3. Using a generic name or fiber trademark on any label, whether required or non-required, without making a full and complete fiber content disclosure in accordance with the Act and the Rules and Regulations thereunder the first time such generic name or fiber trademark appears on the label.

4. Failing to make a disclosure on the required label on or affixed to textile fiber products composed of two or more sections of different fiber composition, in such a manner as to show the fiber composition of each section in all instances where such disclosure is necessary to avoid deception.

It is further ordered, That respondents Glamour Sportswear Corp., a corporation, and its officers, Pantops by Glamour, Inc., a corporation, and its officers, and Mark Lederman and Eugene Lederman, individually and as officers of said corporations, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any textile fiber product is not misbranded or falsely invoiced.

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 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.

INTERLOCUTORY, VACATING, AND
MISCELLANEOUS ORDERS

JACOBY-BENDER, INC., ET AL.

Docket 8728. Order, Jan. 5, 1968

Ordering denying motion to dismiss on the ground that complaint counsel was late in filing notice of appeal; and granting respondents extension of time to file reply.

ORDER DENYING MOTION TO DISMISS APPEAL

This matter is before the Commission on respondents' motion to dismiss the appeal on the ground that the notice of intention to appeal and the appeal brief of complaint counsel were not filed within the time prescribed by the Rules, and complaint counsel's answer in opposition thereto. It appears that complaint counsel, in their notice of intention to appeal, by inadvertence stated the initial decision was served November 16, 1967. This error is the basis of the motion to dismiss. In fact, the Commission's records show that the date of service was November 21, 1967. Complaint counsel's notice of intent and appeal brief were therefore timely filed. The Commission has further determined that in view of their misunderstanding as to the timeliness of complaint counsel's appeal respondents should be granted an extension of 30 days from the date of service of this order upon them within which to file their answer to the appeal. Accordingly,

It is ordered, That respondents' motion to dismiss the appeal be, and it hereby is, denied.

It is further ordered, That respondents be, and they hereby are, granted an extension of 30 days from the date of service of this order upon them within which to file their answer to the appeal.

CURTISS-WRIGHT CORPORATION

Docket 8703. Order, Jan. 24, 1968

Order denying respondent's appeal from hearing examiner's order directing compliance with a subpoena duces tecum.

ORDER DENYING APPEAL FROM EXAMINER'S RULING ON
SUBPOENA DUCES TECUM

This matter having come on to be heard upon the appeal of respondent and Martin A. Sherry from the hearing examiner's order filed

December 18, 1967, directing compliance with a subpoena duces tecum issued October 12, 1967, and rescheduling return date, and upon the answer of complaint counsel in opposition thereto; and

The Commission having determined that the issues raised on the appeal were in substance decided in the Commission's order issued December 1, 1967 [72 F.T.C. 1027], and that respondent and Martin A. Sherry have raised no new or different contentions; that no showing has been made that the ruling complained of involves substantial rights and will materially affect the final decision and that a determination of its correctness before the conclusion of the hearing is essential to serve the interest of justice; and having further determined that the appeal for such reasons should be denied:

It is ordered, That the appeal of respondent and Martin A. Sherry from the hearing examiner's order filed December 18, 1967, directing compliance with a subpoena duces tecum and rescheduling return date, be, and it hereby is, denied.

Commissioner Elman not concurring.

NATIONAL EXECUTIVE SEARCH, INC., ET AL.

Docket 8731. Order, Jan. 26, 1968

Order granting respondents' request to quash subpoena duces tecum directed to the president of the corporate respondent.

ORDER GRANTING APPEAL AND REMANDING TO EXAMINER WITH INSTRUCTIONS

This matter is before the Commission upon respondents' appeal filed December 1, 1967, from the part of the order of the hearing examiner, of November 27, 1967, denying their request to quash subpoena duces tecum directed to John W. Costello, president, National Executive Search, Inc., and upon complaint counsel's answer in opposition thereto; and it appearing to the Commission that the actions of the hearing examiner in issuing such subpoena duces tecum and denying in part the motion to quash exceeded the limits of the pretrial order; and the Commission having determined, therefore, that the matter should be remanded to the hearing examiner for his reconsideration of the issues raised in the light of the pretrial order:

It is ordered, That respondents' appeal from the part of the hearing examiner's order of November 27, 1967, denying their request to quash subpoena duces tecum directed to John W. Costello, president, National Executive Search, Inc., be, and it hereby is, granted.

It is further ordered, That inasmuch as the hearing examiner's order ruling on the subpoena duces tecum directed to John W. Costello, president, National Executive Search, Inc., exceeds the limits of his

