



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
600 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20580

Division of Enforcement
Bureau of Consumer Protection

May 9, 2001

Mr. Daniel C. Schwartz
Bryan Cave LLP
700 Thirteenth Street, NW
Washington, DC 20005-3960

Re: Cejon Accessories, Inc.

Dear Mr. Schwartz:

The Division of Enforcement staff has conducted an investigation of Cejon Accessories, Inc., with respect to the fiber content of certain scarves and shawls labeled as containing varying amounts of cashmere. We have now closed that investigation. This action is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

The Wool Products Labeling Act, 15 U.S.C. § 68 *et seq.*, does not provide any tolerance for the fiber content labeling of wool products. The Textile Fiber Products Identification Act, 15 U.S.C. § 70 *et seq.*, provides for a 3% tolerance to allow for small, unintended inconsistencies in the manufacturing process. As a practical matter, we generally also apply the 3% tolerance to products containing wool. We believe that manufacturers exercising due care in their manufacturing processes should have no difficulty in producing fabric that is accurately labeled within the 3% tolerance. Of course, no tolerance is afforded for intentional mislabeling.

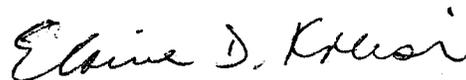
I want to emphasize that the FTC places great importance on regular testing, by qualified, independent labs, to ensure accurate fiber content labeling. It is not adequate for an importer to rely solely on a manufacturer's invoice stating that the fabric has a given fiber content. U.S. importers, distributors, and retailers are responsible for ensuring the accuracy of fiber content labels on their garments.

Please be advised that under separate cover, I will be sending to your client, Cejon Accessories, a Synopsis of Federal Trade Commission Decisions Concerning Textile Fiber Products and a Synopsis of Federal Trade Commission Decisions Concerning Wool Products. As you know, pursuant to Section 5(m)(1)(B) of the FTC Act, 15 U.S.C. 45(m)(1)(B), civil

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penalties, up to \$11,000 per violation, may be imposed upon a business that engages in practices found to be unfair or deceptive in a prior litigated decision, when such business has received notice of the prior determination.

Sincerely yours,

A handwritten signature in cursive script that reads "Elaine D. Kolish".

Elaine D. Kolish
Associate Director
Division of Enforcement